

K 4099

Reid
4/23/01

STRIKE SETTLEMENT

AGREEMENT

BETWEEN

BIW AND LOCAL S6

52000
wovens

OCTOBER 12, 2000

X: 9/03

INDEX

		<u>Page(s)</u>
Article 1	Recognition/Definitions	4
Article 2	No Discrimination	4
Article 3	Responsibilities	5-6
Article 4	Union Representation	6
Article 5	Union Representation/Recognized Committees	7
Article 6	Union Representative Pay	8
Article 7	Classifications	9-10
Article 8	Apprentices	11
Article 9	Probationary Employees	11
Article 10	Shift Changes	12
Article 11	Overtime	12-14
Article 12	Shift Premiums/Protective Clothing	15
Article 13	Reporting In Pay/Minimum Pay/Call-In Pay	16
Article 14	Injured Employee	17
Article 15	Layoff/Recall/Short-Term Recall	18-20
Article 16	Seniority	21-23
Article 17	Holidays	24-25
Article 18	Compensated Time Off	26-27
Article 19	Compensation	27-29
Article 20	Wellness Benefit	30
Article 21	Employee Benefits	31-40
Article 22	Pension Plan	41
Article 23	Supervisors Not To Work With The Tools	41
Article 24	Grievance Procedure	42-44
Article 25	No Strike/No Lockout	44
Article 26	Return to Work/Stay At Work Process	45
Article 27	While Assigned Rates	46
Article 28	Jury/Military/Witness Pay	46
Article 29	Bereavement Pay	47
Article 30	Subcontracting	47
Article 31	Special Events	48
Article 32	At Sea Assignments/Sea Trial Pay	48
Article 33	Emergency Response Team	49
Article 34	Payday	49
Article 35	General Dynamics Stock Savings and Investment Plan (SSIP)	49
Article 36	Scoping	50
Article 37	Rescoping	50
Article 38	Transfers/Job Opening Process	51
Article 39	Joint Agreement Process	52
Article 40	Out Of Town Work/Out Of Town Job Assignments	52
Article 41	Parking	53
Article 42	Skill and Ability	53
Article 43	Supervisor Regression	54
Article 44	Manning/Demanning	54-55
Article 45	Super Seniority	55

			<u>Page(s)</u>
Article	46	New Technology	56
Article	47	Education and Training	57
Article	48	Prescription Glasses	58
Article	49	Attendance At Work	58-61
Article	50	Rules of Conduct	62-67
Article	51	Duration of Agreement	68
Schedule	A	I.A.M. National Pension Plan "Standard Contract Language"	69-71
Schedule	B	"Hours of Work"	72-74
Schedule	C	"Weekend Overtime Hours"	75
Schedule	D	Subcontracting Standing List Notification Not Required	76-77
Schedule	E	Return to Work Bonus	78

Article 1
RECOGNITION

Recognition:

Bath Iron Works recognizes the Union as the exclusive representative of all employees in respect to all rates of pay, wages, hours of employment, and all other conditions of employment for all employees in job classes in Local S6.

Definitions:

Unless otherwise specified, the term "days" will mean "working days."

The term "employee" will mean any employee included within the bargaining unit.

In referring to employees, the masculine gender is used for convenience only and will refer to both males and females.

Article 2
NO DISCRIMINATION

Neither BIW nor the Union will discriminate against you or any applicant for employment because of race, creed, religion, color, sex, sexual orientation, age, national origin, marital status, disability, Vietnam-era veteran, or membership in any lawful organization.

BIW and the Union recognize the right of all employees to work in an environment free of sexual or other unlawful harassment.

Article 3
RESPONSIBILITIES

Management Rights:

Management rights as defined in this agreement. Management will be responsible for:

- *hire employees and set the standards for selection of employment*
- *determine the number of employees to be employed*
- *assign and direct the workforce*
- *monitor employee performance*
- *determine area assignments*
- *formulate overtime plans*
- *determine merit raises*
- *formulate a corporate training plan*
- *suspend, discharge, or otherwise discipline employees for just cause*
- *make medical decisions*
- *administer the Family Medical Leave Act*
- *determine the method(s) of appropriate charging and time accounting*
- *make Yard closure decisions*
- *promote employees*
- *lay off and recall employees*
- *control and regulate the use of machinery, facilities, equipment, and other property of BIW*
- *make strategic business and marketing decisions*
- *establish recognition and rewards programs*
- *safety and health of employees*
- *provide company tools*
- *hardships*
- *healthcare carrier*

It is agreed that all management rights not specifically limited by the expressed provisions of this agreement or by Memoranda of Agreement executed during the term of this agreement or by prior arbitration decision construing any portion of the current agreement are reserved to BIW. The Company agrees that it will not exercise its management rights in a manner which violates its obligation under this agreement.

Union Rights:

Except as expressly limited in this agreement, the Union is responsible for enforcing its rights. Local S6 reserves any and all rights it is granted through the NLRB/NLRA, State, and/or Federal law.

Management, Union or Jointly Develop/Management Implement With Joint Agreement:

- Rescope work*
- Subcontract*
- New job classifications*
- Reasonable rules and regulations*
- Special shift hours*
- New technology*
- Transfer plans*

(*) Intentions to do the following will be communicated to Local S6 in a timely manner by BIW. The parties will work through the joint agreement process prior to implementation.

Healthcare Carrier:

It is the intent of the Company to recognize a number of employees, not to exceed 2, from Local S6 to assist the Company in interviewing, reviewing, and selecting a new healthcare provider.

Article 4
UNION REPRESENTATION

Section 1 – Checkoff:

Bath Iron Works agrees that you will not be retained unless you pay your periodic dues, initiation or reinstatement fees to the Union. Failure to pay these items by the 31st calendar day after the date of hire and any other delinquency of dues or initiation/reinstatement fees will be cause for discharge.

BIW will deduct dues in equal weekly installments on each payday. Initiation and reinstatement fees will also be deducted weekly.

Each new employee may sign a check off authorization and initiation authorization card when entering the employ of BIW.

BIW will provide Local S6 members a weekly check off for the Machinists Non-Partisan Political League with a monthly check to the Machinists Non-Partisan Political League forwarded to Local S6, attention: Financial Secretary.

BIW will provide Local S6 members a weekly check off for Guide Dogs of America with a monthly check to the Guide Dogs of America forwarded to Local S6, attention: Financial Secretary.

Upon receipt of check off authorization, a monthly check for the Local S6 Dental, Long Term Disability, and Supplemental Accident and Sickness Plans will be forwarded to the appropriate Plan Administrator.

After forty-five calendar days as a member of the supervisory staff, such employee will be notified by the Company to cease paying Union dues.

Article 5
UNION REPRESENTATION

Section 1 – Union Representatives:

The Union may name its representatives consistent with yard-wide ratios of 1:70. Union representatives who are not conferring with management or using union paid time are required to perform work in their trade as assigned by Management.

Each steward shall notify and obtain authorization from his supervisor or another member of management in the immediate area before leaving his work assignment for the purpose of conducting union business. Such authorization shall be granted except where it creates an imminent danger situation should the union representative not remain on the job.

If you are elected or appointed to a full-time Union position within the IAM, AFL/CIO, IUMSWA/IAMAW District Lodge 4 (up to a maximum of 7 employees), you may be granted a leave of absence, upon request of the President of Local S6, without pay during the term of your office. If you are elected or appointed to a full-time Union position within the IAM, AFL/CIO, IUMSWA/IAMAW District Lodge 4, benefits to individuals on such leave of absence shall be limited to healthcare and pension under the terms of this agreement and in accordance with appropriate plans. In addition, anyone elected or appointed to a full-time position within Local S6 will be granted a leave of absence without pay during the term of your office to fill the position of President, Vice President, or Chief Steward in Bath on request of the President of Local S6.

You will be excused from work without pay while serving as a Union delegate.

The use of Union time (paid or unpaid) for official Union business must be authorized by the President of Local S6 or his designee.

Section 2 – Recognized Committees:

The following Local S6 Committees are recognized by this agreement having signoff privileges, which provide a service to our employees: (this list may be modified by mutual agreement).

- | | |
|------------------------------------|---------------------------------------|
| <i>a. Apprenticeship Committee</i> | <i>d. Human Rights Committee</i> |
| <i>b. Benefits Committee*</i> | <i>e. Negotiating Committee</i> |
| <i>c. Grievance Committee(s)</i> | <i>f. Safety and Health Committee</i> |

** Paid by D Order*

Paid by D Order as approved in advance by Management.

Article 6
UNION REPRESENTATIVE PAY

Section 1 – Union Representative Pay:

Any Union representative, other than those full-time, conferring with management will be compensated for that time by Bath Iron Works at his base hourly wage rate. BIW will determine whether this time will be charged to direct or to overhead. Union representatives present at any formal step of the grievance process will be paid by the Company, in accordance with Article 24. Any time spent off the job investigating a grievance will be paid by the Union.

BIW will pay up to twenty (20) hours per week for Union business conducted by the Vice President, Chief Stewards at Bath, Portland, and Harding Plant, and any General Steward on any shift that exceeds 500 employees or less than 500 if mutually acceptable to both parties. Effective January 1, 2001, Bath Iron Works will no longer be obligated to pay twenty (20) hours per week for the Chief Steward of the Portland facility. If at a later date BIW mans the Portland facility to fifty (50) or more, the twenty (20) hours' pay will be reinstated.

In accounting for daily time charging, all Union representatives will continue utilizing signoff books provided by BIW (except for the President, Vice President, Chief Stewards, and any union representatives that are on leave of absence). Union representatives will sign off when conferring (direct charge or overhead), investigating, or utilizing d-orders for recognized committee work.

To improve payroll efficiency, BIW will pay for all full-time Union Officials and Code 13 time for Union representatives in addition to any hours worked. Payment will occur weekly. Affected employees will receive one W-2 document annually. BIW will bill the Union monthly for all Union Officials and Code 13 labor charges, including FICA, tax deductions, and State and Federal unemployment.

If you are a second and third shift representative attending Company scheduled meetings not held on your shift, you will be compensated by BIW at your base hourly wage rate. Call-in pay, reporting-in pay and minimum pay are not applicable; however, representatives will be put to work upon their request to bridge shift and meeting times.

Any combination of Union and Company paid time outside your regular scheduled work shift will be compensated at the overtime rate. BIW will only be obligated to pay straight time for a Steward working on his regular shift where the Union requested his presence on the off shift. The Union will reimburse BIW under the Paying Agent agreement for such overtime.

Article 7
CLASSIFICATIONS

Current Job Classifications:

Job classifications shall be limited to those specified within this Article and made part of this Agreement. Furthermore, those same specified classifications shall be measured in relation to the established rates in Schedule "A" of this Agreement.

New Job Classifications:

In the event that BIW needs to create new job classifications within the duration of this Agreement, then BIW will negotiate with Local S6 to establish a mutual agreement. Upon mutual agreement, BIW may add new classifications that shall be measured in relation to established rates in Schedule "A" of this Agreement.

Job Classifications

- | | |
|-----------------------------------|----------------------------------|
| • Carpenters (C02) | • Outside Machinists (O04) |
| • Crane Operators (C70) | • Sign Painters (P06) |
| • Electricians (E02) | • Preservation Technicians (P10) |
| • General Shop Helpers (G05) | • Pipe Coverers (P16) |
| • Heavy Equipment Operators (H03) | • Pipefitters (P18) |
| • Insulators (I02) | • Safety Inspectors (S02) |
| • Maintenance Custodians (M03) | • Sandblasters (S06) |
| • Machinists (M04) | • Shipfitters (S40) |
| • Maintenance Carpenters (M06) | • Ship Riggers (S14) |
| • Maintenance Electricians (M08) | • Stage Builders (S18) |
| • Maintenance Mechanics (M10) | • Tinsmiths (T04) |
| • Maintenance Pipefitters (M12) | • Tug Boat Operator (T12) |
| • Maintenance HVAC Mechs. (M14) | • Welders (W12) |
| • Material Clerks (M16) | • Yard Riggers (Y02) |

*Notes: Apprentices, A06, fall within parent classification.
New classification of (S06 and P06) effective January 2, 2001.*

Intra-Bargaining Unit Loans:

Due to the fluctuations in work it may become necessary to loan Local S6 members from their parent classification to another. In order to accomplish these loans, the following criteria shall be utilized.

The Company may loan Local S6 members from their parent classification into another Local S6 function providing however that at no time shall the total manhours being worked by the loaned Local S6 members exceed 10% of the manhours worked by the Local S6 members in the loaned into classification in any one calendar month. Nor shall the total manhours being worked by Local S6 members loaned into another classification exceed 5% of the total manhours worked by regular members of loaned into classifications in any one calendar year. These limits may only be exceeded by joint agreement in accordance with the joint agreement process.

The people chosen to be loaned from one Local S6 classification into another Local S6 classification shall be chosen by volunteers by seniority senior to junior within the ship or building where fluctuation is needed. Volunteer by area will be chosen when none available from ship or building.

Non-voluntary assignment shall be done by junior to senior seniority order by area.

The loan may proceed as soon as the notification has been sent to Local S6.

Overtime rights for loaned people are with their job classification.

Loaned employees may work overtime in loaned classifications when the loan assignment is greater than three days.

There shall be no loans into a classification on layoff absent joint agreement.

BIW and Local S6 have agreed to implement a "back-up" process for critical jobs such as crane operation, rigging, and machine operation, consistent with past practice.

Article 8
APPRENTICES

The Joint Apprenticeship Team will manage and develop the apprenticeship program in compliance with the labor agreement.

Apprenticeships may be offered in the following job classifications:

<i>Electrician</i>	<i>Outside Machinist</i>	<i>Welder</i>
<i>Tinsmith</i>	<i>Machinist</i>	<i>Maintenance</i>
<i>Carpenter</i>	<i>Structural Fitter</i>	<i>Pipefitter</i>

Apprentices will not exceed 15% of mechanics in the classification. Apprentices are exempt from the seniority provisions until removal from the apprentice grade at which time they are given credit for time spent in the apprentice grade.

The Apprenticeship Program will be four years (8000 hours). A graduate may receive an associate degree from Maine Maritime Academy, as well as a certificate of completion (diploma) from BIW. This program will have a labor history course.

For Local S6 represented applicants, your rate of pay at entering the Apprenticeship Program will be your current base rate.

For purposes of a tiebreaker, given substantially equal qualifications, consideration shall first be given to members of the bargaining unit including those on layoff with recall rights when hiring Apprentices. Apprentices will not be hired into a classification where there are layoffs.

There will be no BMDA apprentice rotation(s) into job classes represented by Local S6 that are on layoff.

Article 9
PROBATIONARY EMPLOYEE

If you have never worked at BIW, you will, for the first 360 hours, be considered a probationary employee. You will be evaluated in writing on or before completing 120 and 240 hours of work. You and your steward will receive copies of your evaluation. If BIW decides to discontinue your employment during your probation period, that decision is not grievable.

Article 10

SHIFT CHANGES

All shift changes will be done by volunteers by seniority (most senior first). Assignment to first shift, where insufficient volunteers exist, will be by direct assignment (least senior first) with no rotation. If insufficient volunteers exist for a second or third shift assignment, then volunteer assignment first, then direct assignment (least senior first) will be on a three-month rotation basis.

Employees shall be given five (5) calendar days notice.

Shift assignments will be as follows:

- a. Volunteers by seniority by classification (most senior)*
- b. Assignment by seniority by classification (least senior)*

In identifying volunteers for shift assignment at each facility, standing lists will be used as follows:

- a. Employees may add their name to, or remove their name from, the facility volunteer list at anytime prior to the assignment. An employee adding their name to the volunteer list may not displace an employee who has already been advised of their assignment. Standing lists will be available and maintained by the Craft Administration area.*

Article 11

OVERTIME POLICY

Purpose:

This section will define management and employee responsibility in relation to overtime assignments.

Goal:

Our goal is to minimize the use of overtime. The goal of this policy is to define a method of assigning overtime in an efficient manner.

Management Responsibility:

Management will determine the need for overtime. Assignments will be based on the selection criteria listed below. Any skill requirements that would preclude assignment based on the selection criteria will be identified up front, since employees must possess the skill and ability to perform the available work. Overtime records will be maintained by the Craft Administration areas.

Employee Responsibility:

You are responsible for declaring your overtime availability to your supervisor at the time of assignment and must be present to be eligible for an assignment.

You may cancel your overtime assignment by notifying your supervisor on or before the end of your lunch period on the day of the overtime (weekday), by the end of lunch break Friday for Saturday overtime, or end of break Saturday for Sunday overtime.

NOTES:

1. *There shall be no polling for overtime availability.*
2. *Once assigned and past the cancellation period, you are expected to complete the overtime assignment.*
3. *You may not declare yourself available for overtime after the assignment has been made.*

Selection Criteria:

1. **Job Ownership.**
Offered to the employee working the job at the time the assignment is made.
NOTE: Classifications that currently do not utilize job ownership in their overtime policy may continue to do so.
2. **Crew Ownership.**
Offered to other employees on that Front Line Supervisor's crew at the time of assignment, utilizing crew seniority rotation.
3. **Area Ownership. (Panel, Assembly Building, Hull, Hardings, EBMF, Machine Shop, Ship, Ways, Panel/Shell, PO2)**
Offered to other employees on crews working the same shift within the area at the time the overtime assignment is made utilizing seniority rotation.
4. **Area Ownership. (Director Level)**
Offered to other employees on crews working the same shift within the area (Director level) at the time the overtime assignment is made, utilizing seniority rotation.
5. **Facility Ownership.**
Offered to other employees working the same shift within the facility (Bath, Hardings, EBMF, and Portland) at the time the overtime assignment is made utilizing seniority rotation.
6. **Facility Ownership (All Shifts).**
Offered to other employees working other shifts within the facility (Bath, Hardings, EBMF, and Portland) at the time the overtime assignment is made utilizing seniority rotation. If insufficient volunteers exist, the employees working the overtime can be offered double shifts by seniority rotation.
7. **Yard Ownership.**
Offered to all employees within that classification on that shift utilizing seniority rotation.

Current overtime selection policies shall remain in effect through January 28, 2001, at which time new overtime policies shall be put into effect.

The Craft Administration area and two (2) representative shop stewards from each classification shall jointly review and modify current overtime policies as appropriate. The reviews and modifications shall follow the Joint Agreement Process. Absent joint agreement by January 28, 2001, BIW may implement its final position and be subject to the accelerated arbitration process where the arbitrator shall base his decision on whether BIW's position violates the labor agreement.

Application:

All overtime is voluntary; your volunteer status is determined by your declaration of availability. The duration of each weekend assignment will be 6 hours unless mutually agreed between management and stewards. Weekend durations may be extended if mutually agreed between management and steward. Durations for special events, such as launches, ship systems demonstrations, ship movements, drydockings, and ammo loads, will be based on job needs.

Overtime Rates:

You will be paid overtime at the following rates:

<u>Event</u>	<u>Rate (times base hourly wage rate)</u>
<i>Time outside your regular shift</i>	<i>Time and one-half</i>
<i>Saturday*</i>	<i>Time and one-half</i>
<i>Sunday</i>	<i>Double time</i>
<i>Holiday</i>	<i>Time and one-half plus holiday pay</i>

** Excluding second shift regular working hours.*

Overtime Cancellation:

Where it is necessary, BIW may cancel your overtime assignment prior to the start up time. Where possible you will be notified in advance by your supervisor. Where advance notice cannot be provided, your supervisor or designee will notify you at the gate.

The Company reserves the right to cancel the overtime work at any time during the overtime shift. For cancellation of overtime work Monday through Friday, you will receive pay for actual hours worked. For cancellation of overtime on Saturday, Sunday or holiday, your pay will be determined by the "Reporting-In, Minimum Pay, Call Back Pay" section of Article 13.

Article 12
SECOND AND THIRD SHIFT PREMIUMS

Eligibility:

If you are assigned to the second or third shift, you will be paid a shift premium of 7% of your base hourly rate or \$1.25, whichever is lower for the hours worked on those shifts.

In addition, if you are assigned to the second or third shift, you will be eligible for shift premium for the following reasons:

- *Chief/General Stewards/Shop Stewards pay;*
- *Injured employee pay;*
- *Holiday pay;*
- *Compensated time off pay;*
- *Jury/military/witness pay;*
- *Bereavement pay.*

All previous shift premium agreements and practices are canceled with the ratification of this agreement.

PROTECTIVE CLOTHING

Welders to receive one pair of Welders' mittens during six month period (January and July) maximum of two pair per year.

Structural Fitters to receive two pair gloves (leather).

Raingear – one set only for life of this contract for employees assigned to the outside crew (Y02's, M16's, and H03's).

Structural Fitters doing straightening to receive two pair rubber boots per year, if required.

Preservation Technicians spray painting, mixing, and tending, to receive two pair rubber boots per year, if required.

Sandblasters to receive two pair rubber boots per year, if required.

M04 straightening at Hardings to receive two pair rubber boots per year, if required.

Article 13
REPORTING-IN PAY, MINIMUM PAY, CALL BACK PAY

Reporting-In Pay:

If you report to work as scheduled and then not put to work, you will receive four hours pay unless canceled in a timely manner by BIW.

Minimum Pay:

If you are put to work, you will not receive less than four hours pay unless you voluntarily quit or the work is suspended due to bad weather, machinery breakdown, or other causes beyond the control of BIW.

Call Back Pay:

If you are called back to work have worked any part of your regular shift, you will receive a minimum of four hours pay if the job is completed in a shorter time.

Article 14
INJURED EMPLOYEE

Entitlement:

You are eligible for injured employee pay when you are put out of work for the day at the direction of Employee Health for a yard injury/illness as follows:

- A. First day of injury which falls on a regular workday or a Saturday or Sunday when you report the injury to Employee Health that same day.*
- B. Second day of injury where the injury/illness does not present itself fully until after you have left work for the day providing:
 - 1. You report to Employee Health.*
 - 2. Employee Health determines you are unable to work, and*
 - 3. Employee Health determines the injury or sickness is related to the prior regular workday's events.**
- C. Injured on a Saturday or Sunday with verification.*

Pay:

If you are injured during a regular workday, you will be paid for the balance of that shift at straight time.

If you are injured on a Saturday or Sunday, you will be paid for the balance of that shift at the appropriate rate.

If you are injured on an overtime assignment during the regular workweek, you will be paid for the balance of the overtime shift at the overtime rate.

If your injury requires outside medical treatment beyond the end of your regular shift, you will continue to receive pay:

- a. Through the time of admission*
- b. Completion of outpatient care*
- c. Return to work to clock out.*

Definition of Work:

Should you be out of work routine visits to Employee Health, the Workers Compensation Office, or your area management will not be paid.

The company will compensate you for time at BIW only if you are called in by Management.

Article 15
LAYOFF/RECALL

Definitions:

"Involuntary layoff" means a termination of employment for more than five days.

"Recall" means a return to employment from involuntary layoff for not less than thirty calendar days.

"Voluntary layoff" means a voluntary termination of employment for more than five working days with an agreed upon return to work date.

INVOLUNTARY LAYOFF

Notice of Involuntary Layoff:

BIW will provide ten days notice to the Union and seven days notice to you. In the event you are absent on the day of notice, BIW will send you a certified letter of notice (copy to Local S6). The date of mailing will be the notice date.

The notice period begins with the next day following the notice.

Date of Involuntary Layoff:

Your date of involuntary layoff will be the expiration date of your notice or the date of accepting twenty-four hours pay in lieu of work.

Pay in Lieu of Work:

You may accept twenty-four hours pay in lieu of working your notice period. Should BIW elect to retain you for work during the notice period, you will receive twenty four hours pay in addition to your pay if involuntarily laid off.

Notice of Involuntary Layoffs Beyond Control of BIW:

No notice is required for involuntary layoffs for reasons beyond the control of BIW, such as power or machinery breakdown, fire, floods, and hurricanes or blizzards.

Involuntary Layoff Process:

Layoffs will occur within a job classification in seniority order on a yard-wide basis. If needed, a tiebreaker will be based on your last name at time of hire.

VOLUNTARY LAYOFF

Under circumstances mutually agreeable between BIW and Local S6, you may have the opportunity to participate in a voluntary layoff. These voluntary layoffs will be for an agreed upon length of time.

RECALL PROCESS

Rehire Questionnaire:

You will be required to complete a rehire questionnaire at time of layoff. This important document will determine which jobs could become available to you during your involuntary layoff. You will have the right to refuse all jobs that become available other than your job classification.

Notice to Local S6:

Local S6 will be notified in advance of any recall.

Recall Process:

Employees will be recalled by job classification in the reverse order of the layoff.

Notice of Your Recall:

Should we be unable to contact you by telephone for any job vacancy that may exist which you listed on your rehire questionnaire, BIW will certify mail (copy to Local S6) your recall notice to your address of record. Final notice of recall will be five working days from receipt or fourteen working days from date of mailing, whichever first occurs.

Dual Recall:

Should you be recalled from layoff into another job classification within this bargaining unit, you will maintain your full seniority rights. You will continue your recall rights back to your prior job classification. Should you subsequently be involuntarily laid off from the new job class, you will also have recall rights back to that job classification.

SHORT-TERM RECALL PROCESS

Local 6 will be notified in advance of any short-term recall.

Employees will be recalled by job classification in the reverse order of the layoff, within classification first, then by yard-wide seniority outside of the classification being recalled.

Should you accept a short-term recall you will maintain your full seniority rights.

Should you refuse a short-term recall you will maintain your full seniority rights.

The short-term recall will be for a specified number of workdays not less than 5 nor greater than 20.

At the end of the specified period, the employee will be separated without any pay in lieu of work benefits.

If you are laid off from a short-term recall, your healthcare coverage will extend or continue for 1 month.

To be eligible for a short-term recall, any employee must present himself for work within five work days of notice.

The recall process will be by telephone only, with a list of employees not contacted provided to Local 6 the same day. Notification to the Union shall be deemed sufficient.

Article 16
SENIORITY

Definition:

Seniority means your length of service from date of hire, unless otherwise specified.

Application:

Seniority will be broken in all cases if:

- a. *you quit.*
- b. *you are discharged.*
- c.
 - (i) *you went on a non-occupational leave of absence prior to August 25, 1997. The date upon which seniority is or will be broken is your length of service or four (4) years from the leave of absence date, whichever is less, but no sooner than January 1, 2002;*
 - (ii) *you went on an occupational leave of absence prior to August 25, 1997. The date upon which your seniority is or will be broken is your length of service or seven (7) years from the leave of absence date, whichever is less, but no sooner than January 1, 2002;*
 - (iii) *you went or go on a non-occupational leave of absence after August 24, 1997. The date upon which seniority is broken is your length of service or three (3) years from the leave of absence date, whichever is less, but no sooner than January 1, 2002;*
 - (iv) *you went or go on an occupational leave of absence after August 24, 1997. The date on which seniority is broken is your length of service or six (6) years from the leave of absence date, whichever is less, but no sooner than January 1, 2002.*
- d. *you fail to notify BIW of an address change while on involuntary layoff or leave of absence.*
- e. *upon recall, you fail to report for work or provide reasonable excuse for failing to report for work to your regular job or any selected job on your rehire questionnaire within five (5) days from date of receipt of telephone or letter notification (fourteen [14] days from date of mailing), whichever occurs first.*
- f. *you are on involuntary layoff for a period longer than your length of service.*

BIW will continue healthcare for employees on an occupational or non-occupational leave of absence under the BIW Healthcare Program until such time as their seniority is broken as long as the employee:

- (1) *pays the employee contribution in a timely manner (see Contributory Premiums for Employees under the Employee Benefit Program), and*
- (2) *applies for Social Security Disability coverage within twelve (12) months of the leave of absence (employees on leave of absence as of August 28, 2000 must apply for Social Security Disability coverage within twelve [12] months of contract ratification), and*
- (3) *notifies the BIW benefits administrator regarding their eligibility for SSDI and/or Medicare.*

An employee that is eligible for Medicare because of SSDI entitlement must provide documentation and a signed release form whenever requested by the BIW benefits administrator regarding continued eligibility for SSDI and/or Medicare. BIW will coordinate benefits under the BIW Healthcare Plan as a secondary payor to Medicare and reimburse the employee Medicare Part B premium. Any employee terminated as a result of Section C during the life of this agreement who is Medicare eligible will be reimbursed their Part B premium for a combined leave of absence and termination period equal to their prior length of service. An employee that does not qualify for SSDI and/or Medicare shall continue to be covered by healthcare in accordance with the healthcare terms of this agreement and Section 2C.

For a period equal to length of service, employees terminated as a result of Section 2C will be offered employment to a position within the bargaining unit with reinstated seniority upon release for work through medical certification from primary care physician. If BIW's Medical Director disagrees with the decision, a third party (medical physician) will be called in and selected by mutual agreement between the employee's medical primary care physician and Yard Medical Director. The third party physician will decide the issue.

If you are laid off, your healthcare coverage will continue as follows:

<u>Years Service</u>	<u>Healthcare Coverage</u> <u>Beyond Month of Layoff</u>
Less than 10	3 months
10 or more	6 months

Your seniority will be fixed as of the first day of involuntary layoff. All time on involuntary layoff will accrue for seniority purposes upon your return to work.

Your seniority will be fixed as of the first day of leave of absence. All time on leave of absence will accrue for seniority purposes upon your return to work for a minimum of 30 hours of work within 15 working days of return to work from that medical LOA. New injuries or illnesses incurred during this time frame shall not preclude an employee from having his seniority accrue under this provision.

All leave of absence for sickness, injury or mental or physical disability will be granted with medical certification acceptable to BIW.

Seniority will be accumulated when you are elected to a Local (City council, town selectman position only), State, or Federal Government office that requires your full-time presence.

Should you incur a yard injury that prevents you from working within your job classification and accept work within your limits in another bargaining unit at BIW and be subsequently involuntarily laid off prior to linking up your full seniority, you will be transferred back into Local S6 to protect your seniority rights in your prior classification and rate of pay.

For purposes of determining occupational and non-occupational leave of absence time limits only, any controverted worker's compensation case being actively pursued by any employee who is covered by this agreement will be treated as occupational until such time as a formal decision is received.

If BIW prevails in controverting the claim, we will treat the entire time on leave of absence as non-occupational. If the employee prevails, it will continue as occupational. In the event that an employee files claims under both State and Federal law, the initial formal decision in either forum shall serve to determine whether seniority will be controlled by non-occupational or occupational time limits, subject to final determination.

Article 17
HOLIDAYS

Holiday Schedule:

You will be entitled to the following holidays:

2000

Thanksgiving Day (Thursday, November 23, 2000)
Day After Thanksgiving Day (Friday, November 24, 2000)
Christmas Day (Monday, December 25, 2000)
Holiday (Tuesday, December 26, 2000)
Holiday (Wednesday, December 27, 2000)

NOTE: *Unpaid days for the dates of December 28 and 29, 2000.*

2001

New Year's Day (Monday, January 1, 2001)
Martin Luther King, Jr. Day (Monday, January 15, 2001)
President's Day (Monday, February 19, 2001)
Memorial Day (Monday, May 28, 2001)
Independence Day (Wednesday, July 4, 2001)
Labor Day (Monday, September 3, 2001)
Thanksgiving Day (Thursday, November 22, 2001)
Day After Thanksgiving Day (Friday, November 23, 2001)
Holiday (Monday, December 24, 2001)
Christmas Day (Tuesday, December 25, 2001)
Holiday (Monday, December 31, 2001)

NOTE: *Unpaid days for the dates of December 26, 27, and 28, 2001.*

2002

New Year's Day (Tuesday, January 1, 2002)
Martin Luther King, Jr. Day (Monday, January 21, 2002)
President's Day (Monday, February 18, 2002)
Memorial Day (Monday, May 27, 2002)
Independence Day (Thursday, July 4, 2002)
Holiday (Friday, July 5, 2002)
Labor Day (Monday, September 2, 2002)
Veteran's Day (Monday, November 11, 2002)
Thanksgiving Day (Thursday, November 28, 2002)
Day After Thanksgiving Day (Friday, November 29, 2002)
Holiday (Tuesday, December 24, 2002)
Christmas Day (Wednesday, December 25, 2002)
Holiday (Thursday, December 26, 2002)

NOTE: *Unpaid days for the dates of December 23 and 27, 2002.*

2003

New Year's Day (Wednesday, January 1, 2003)
Martin Luther King, Jr. Day (Monday, January 20, 2003)
President's Day (Monday, February 17, 2003)
Memorial Day (Monday, May 26, 2003)
Independence Day (Friday, July 4, 2003)
Labor Day (Monday, September 1, 2003)
Veteran's Day (Tuesday, November 11, 2003)
Thanksgiving Day (Thursday, November 27, 2003)
Day After Thanksgiving Day (Friday, November 28, 2003)
Christmas Day (Thursday, December 25, 2003)
Holiday (Friday, December 26, 2003)

NOTE: Unpaid days for the dates of December 29, 30 and 31, 2003.

2004

New Year's Day (Thursday, January 1, 2004)
Holiday (Friday, January 2, 2004)
Martin Luther King, Jr. Day (Monday, January 19, 2004)
President's Day (Monday, February 16, 2004)

Entitlement:

You are eligible for holiday pay if you are a full-time employee upon completing a 360 work-hour probationary period commencing upon your date of hire.

If you are excused from work you will receive holiday pay if excused time started within fifteen (15) calendar days preceding a paid holiday.

Holiday Pay:

Holiday pay will be paid at your current base hourly rate.

When a holiday falls on a workday while you are on compensated time off, you will receive pay for the holiday.

If you work on a holiday you will receive time and one half for the hours worked in addition to the holiday pay.

Working a Holiday:

If your regular scheduled workday falls on a holiday, you will be eligible to take a day off later without pay within six (6) months at the convenience of you and your supervisor (i.e., Boiler Operator, Winter Pipe Patrol).

Article 18
COMPENSATED TIME OFF

Entitlements:

Compensated time off is for vacation and sick leave. When used for vacation, Compensated Time Off will be taken at the convenience and discretion of the Company, with due regard for your wishes. Your annual compensated time off allowance, which will be accrued monthly during the year, is as follows:

Years Service	Annual Allowance (In Hours)	Monthly Accrual (In Hours)
1-2	48	4.0
2-3	96	8.0
3-5	112	9.33
5-10	136	11.33
10-15	160	13.33
15-20	184	15.33
20-25	200	16.66
25-30	216	18.0
30 or more	280	23.33

Accrual:

The Compensated Time Off allowance accrues during any calendar month in which you received payroll compensation for 80 or more hours in that month. During the calendar year in which you complete a service anniversary that brings you to a higher allowance, you accrue compensated time-off at the higher rate for the entire year. Any unaccrued compensated time off used during a calendar year will be debited from your allowance at the start of the next calendar year. Effective January 2, 2001, for any hours not paid that are covered by an absentee code not held against perfect attendance (refer to Article 49) those hours will be credited for the accrual of your compensated time.

Usage:

You may use the following at any time during the calendar year: Accrued Compensated Time-off, Banked Compensated Time-off, and Accrued Compensated Time-off you anticipate for that year. Compensated Time-off will be at the convenience of the Company.

The minimum increment of Compensated Time-off permitted is 2 hours (i.e.: 2, 4, 6, or 8 hours).

Carryover:

Any unused compensated time off in a calendar year may be carried over for future use to a maximum of 720 hours. Your current banked sick leave and vacation hours will be rolled into the carryover hours.

Payment:

You will receive payment for compensated time off at your current base hourly wage rate.

In the event you separate employment from BIW, you will be paid for all your unused Accrued Compensated Time-Off and Banked Compensated Time-Off at your regular base rate. Any Compensated Time-Off taken in excess of your Accrued Compensated Time-Off and Banked Compensated Time-Off will be deducted from your final paycheck.

Article 19
COMPENSATION

EFFECTIVE DATES OF NEW AGREEMENT

This new labor agreement begins Monday, October 23, 2000, and expires at midnight, Sunday, May 30, 2004.

WAGE INCREASE

Skills Adjustment:

Skills adjustments will be paid as scheduled below:

<u>GRADE</u>	<u>Effective</u> <u>August 28, 2000</u>	<u>Effective</u> <u>August 27, 2001</u>	<u>Effective</u> <u>August 26, 2002</u>
AA	\$0.70	\$0.70	\$0.70

Rate of Pay:

This pay shall be at your base hourly rate as identified and included in the table below:

<u>GRADE</u>	<u>Effective</u> <u>October 23, 2000</u>	<u>Effective</u> <u>January 14, 2002</u>	<u>Effective</u> <u>April 14, 2003</u>
AA (Specialist)	\$18.64	\$20.18	\$21.89
A (Specialist)	\$17.94	\$18.75	\$19.68
B (Specialist)	\$17.42	\$18.20	\$19.11
C (Specialist)	\$16.90	\$17.66	\$18.54
9	\$16.38	\$17.12	\$17.97
8	\$15.61	\$16.32	\$17.13
7	\$14.85	\$15.52	\$16.29
6	\$14.08	\$14.71	\$15.45
5	\$13.32	\$13.91	\$14.61
4	\$12.55	\$13.11	\$13.77
3	\$11.78	\$12.31	\$12.93
2	\$11.02	\$11.51	\$12.09
1	\$10.25	\$10.71	\$11.25

Trades with Grade AA Specialists: E02, O04

Trades with Grade A Specialists: C70, E02, M04, O04

Trades with Grade B Specialists: E02, M04, M08, M14, O04, P06, S06, T12, W12

Trades with Grade C Specialists: H03, M04, M08, M14, P18, W12

Note 1: Specialists in classification E02 or O04 will move as follows:

<u>Grade as of</u> <u>August 27, 2000</u>	<u>Grade as of</u> <u>October 23, 2000</u>
12	AA
11	A
10	B

Note 2: Employees in pay grade 1 through 8 will receive a pay increase to the next higher pay grade level effective the first pay period following the payment of every 1,000 hours on the job, provided the employee exhibits the skills required to achieve the next level.

Note 3: Employees below grade 9 at October 23, 2000, whose GWI brings their hourly wage above the wages in their current grade level, will move to the next greatest grade level above their new wage.

Note 4: W12 Grade B Specialists are those Welders currently performing consumable ring welding on x-ray butt pipe welds.

Note 5: H03 Grade C Specialist rating will commence January 1, 2001, and will apply to certain rated truck drivers with commercial drivers licenses.

APPRENTICE WAGE RATES

Beginning with the first Apprentice class under this contract, Apprentices will progress as follows:

		<u>Effective</u> <u>10/23/00</u>	<u>Effective</u> <u>1/14/02</u>	<u>Effective</u> <u>4/14/03</u>
1	1 st 1000 hrs.	\$11.70	\$12.23	\$12.84
2	2 nd 1000 hrs.	\$12.22	\$12.77	\$13.41
3	3 rd 1000 hrs.	\$12.74	\$13.31	\$13.98
4	4 th 1000 hrs.	\$13.26	\$13.86	\$14.55
5	5 th 1000 hrs.	\$13.78	\$14.40	\$15.12
6	6 th 1000 hrs.	\$14.30	\$14.94	\$15.69
7	7 th 1000 hrs.	\$14.82	\$15.49	\$16.26
8	8 th 1000 hrs.	\$15.34	\$16.03	\$16.83

Current apprentices will remain in their apprentice grade and be compensated at the apprentice rates scheduled above.

WELDER QUALIFICATION TESTS

TEST	PROCESS	POSITION	MATERIAL	INSPECTION
Test 1 Grade 3*	SMAW (Stick)	3F (Vert. Fillet)	E10018. 3/8" Plate	VT & Break
		4F (Ovhd Fillet)	E10018. 3/8" Plate	VT & Break
	FCAW (Flux Cored)	3F (Vert. Fillet)	E71T-1, 3/8" Plate	VT & Break
		4F (Ovhd Fillet)	E71T-1, 3/8" Plate	VT & Break
	GMAW-P (Pulse-Arc)	2F (Horiz. Fillet)	E100S-1, 3/8" Plate	VT & Break
		3F (Vert. Up Fillet)	E100S-1, 3/8" Plate	VT & Break
		3FD (Vert. Down Fillet)	E100s-1, 3/8" Plate	VT & Break
		4F (Ovhd Fillet)	E100S-1, 3/8" Plate	VT & Break
Test 2 Grade 5	FCAW (Flux Cored)	3G (Vert. Groove)	E71T-1, 3/4" Plate w/Backgouge	VT & UT
		4G (Ovhd Groove)	E71T-1, 3/4" Plate w/Backgouge	VT & UT
Test 3 Grade 7	GMAW-P (Pulse-Arc)	2G (Horiz. Groove)	E100S-1, 3/8" Plate w/Ceramic	VT & UT
		3G (Vert. Groove)	E100S-1, 3/8" Plate w/Ceramic	VT & UT
		3GD (Vert. Down Groove)	E100S-1, 3/16" Plate w/Ceramic	VT & RT
		4G (Ovhd Groove)	E100S-1, 3/8" Plate w/Ceramic	VT & UT
Test 4 Senior Volunteer by Area	GTAW (Tig) (Non consumable ring)	2G (Horiz. Groove)	ER, 309 5" sch. 80 pipe	VT & RT
		5G (Vert. Groove)	ER, RN60 5" sch. 80 pipe	VT & RT
Test 5 Grade 11**** Senior Qualified**	Consumable Ring	2G (Horiz. Groove)	ER347 4" sch. 10 pipe	VT & RT
		5G (Vert. Groove)	ER347 4" sch. 10 pipe	VT & RT

*After passing all three tests

** After passing test #4

***Current Grade 10 non-consumable ring pullers remain at Grade 10

Article 20
WELLNESS BENEFIT

The Wellness Program provides reimbursement for two categories of wellness items: physical fitness services and medical/preventive services.

The Company will reimburse you and your spouse up to a combined total of \$125 per year, subject to required Federal and State tax withholdings, upon the submittal of a Wellness Benefit Request form accompanied with a paid invoice to the BIW Benefits Department for approved wellness program(s). Refer to the Wellness Program Reimbursement Guidelines for detailed instructions. The Guidelines and Wellness Benefit Request form may be obtained at the BIW Benefits Department.

In addition to the reimbursement program described above, effective January 1, 2001, BIW will establish a more comprehensive program that will offer employees and their spouses a variety of programs to improve their health. These programs will be run by outside organizations and will respect employee privacy and personal choice.

Article 21
EMPLOYEES' BENEFIT PROGRAM

Your Benefits Program consists of plans that provide you financial security and policies that provide you paid time-off away from work.

Health and welfare plans include healthcare, accident and sickness (A&S) insurance, basic life insurance, supplemental life insurance (effective January 1, 2001), vision care (effective January 1, 2001), and business travel accident insurance. Retirement plans include pensions and 401(k). All of these plans require you to be a full-time employee. All of the health and welfare plans require you to complete a probationary period of 360 hours from date of hire before you can participate. For the IAM Pension Plan, that eligibility period is 60 calendar days from date of hire. The 401(k) plan does not have a service requirement for eligibility. BIW pays the full cost of your pensions, A&S insurance, basic life insurance and business travel accident insurance, and pays most of the cost of your healthcare. BIW also matches a portion of your contributions to your 401(k) account. These plans are ERISA plans and their terms and conditions are governed by plan documents and/or insurance contracts, all of which are available through the BIW Benefits Department. Therefore, the language contained in this Agreement for these plans is intended to represent only highlights of the plans. You will receive a summary plan description for each of these plans which will give you further information in addition to these highlights.

In addition to the ERISA plans above, BIW sponsors a wellness program and on or before January 1, 2001, will offer a program where you can obtain insurance for personal property.

Policies that provide you paid time-off away from work include compensated time-off, bereavement, jury/military/witness pay, and holidays.

Additionally, LS6 sponsors a dental plan, a long-term disability plan, and an A&S plan which supplements the A&S that BIW sponsors for you. Each of these plans requires you to make contributions if you choose to participate in them. The language contained in this Agreement is limited to the terms and conditions that BIW and LS6 have agreed to so that if you elect to participate in them, your contributions to these plans will be deducted from your paycheck. To the extent permitted by law, effective the first paycheck in 2001, your contributions for the dental plan will be deducted from your paycheck on a pre-tax basis. Your contributions for the supplemental A&S and long-term disability will be deducted on a post-tax basis. For information on the benefit provisions of these plans, contact the LS6 Union Hall.

HEALTHCARE PROGRAM

For eligible employees, the Healthcare Program that was in effect on August 27, 2000 will be restarted on the effective date of this Agreement and run through December 31, 2000, including but not limited to employee contributory premiums and plan co-payments. Effective January 1, 2001, there will be several changes to the Program. The highlights of this new Program are described below.

Choice:

Effective January 1, 2001, you will be eligible for BIW's Healthcare Program once you have completed a period of 6 months from your date of hire. You may choose between three healthcare options. The three options include:

- Premier Health Maintenance Organization (Premier HMO)
- Premier Plus Health Maintenance Organization (Premier Plus HMO)
- Point of Service (POS)

All three options cover doctor visits, hospitalization, surgery, prescription drugs, mental health and substance abuse treatment, routine physical exams, child immunizations and check-ups, mammograms, routine eye exams, and other services. The options differ in the amount you must contribute from your weekly paycheck and the amounts you pay when you obtain services.

With the Premier HMO option or the Premier Plus HMO Option, you and your covered family members each select a participating Primary Care Physician (PCP) who oversees your medical care. To be eligible for most covered services under the Premier or Premier Plus HMO options, you must choose a PCP who will coordinate your care by treating you or referring you to specialty services. With the exception of a few services, the only way you're covered is if you seek care through your PCP.

The POS option offers different levels of coverage depending upon whether you or a covered family member receive care through a medical care network with authorization of your participating Primary Care Physician (PCP) or receive care that has not been authorized by your participating PCP. It offers flexibility in receiving health care for yourself and your covered family members. You usually have the choice of going outside the network for any care you need.

You will receive a booklet for the healthcare option you participate in that provides a detailed description of that option including eligibility and enrollment information, covered services, co-payment and co-insurances, when coverage ends, continuation of coverage and conversion information, and the member satisfaction process.

Other options may be available to you if your primary residence is outside the Network Area.

Enrolling in the Healthcare Program:

Once you have completed your 6 month eligibility period, you must have medical coverage through BIW, unless you are covered under another healthcare plan (such as your spouse's employer) and complete, sign and return a "Waiver of Coverage" form during the annual open enrollment process by the due date specified. If you are not waiving coverage as specified in the previous sentence, you will automatically be enrolled in the Program as specified below.

Choosing Your Healthcare Option and Coverage Level:

You will be able to choose the healthcare option you want to participate in and your coverage level each year through the annual open enrollment process. If you and your spouse are both employed by BIW, then one of you must choose a healthcare option and cover the other as a dependent.

During the Fall 2000, an open enrollment package consisting of information that will be helpful for you to make your choice effective January 1, 2001 will be provided to you. Because the Healthcare Program has changed, you must enroll for 2001 by completing, signing and returning the appropriate enrollment forms by the due date specified. If you do not complete, sign, and return the appropriate enrollment forms by the due date specified, you will automatically be enrolled in the Premier HMO at the same coverage level you have as of December 31, 2000, and you will not be eligible for the non-smoking discount.

Subsequent annual enrollments beginning with the Fall 2001 (effective January 1, 2002) will also provide you the opportunity to change your healthcare option or coverage level, and to register for the non-smoking discount. If you do not complete, sign, and return the appropriate enrollment forms by the due date specified, you will automatically be re-enrolled in the same option and at the same coverage level you had as of the last day of that calendar year, and you will not be eligible for the non-smoking discount.

Contributory Premiums for Employees:

Although BIW pays the majority of the cost of the Healthcare Program, you share in the cost through your employee contributions which are deducted from your paycheck. To the extent permitted by law, these contributions will be deducted before taxes are withheld. If you are not receiving a paycheck, (for example, certain leave of absences) you will be responsible to make payment within fourteen calendar days from the time the deductions would have been made from your paycheck.

The amount of your contribution will depend on the healthcare option and coverage level you select, and whether you or your covered family members are non-smokers and have signed up for the non-smoking discounts for that calendar year. Your spouse and unmarried children under the age of 21 (age 25 if full-time student) are eligible dependents that you may enroll in the Program. Also, children who are totally disabled at the time that they would no longer be eligible for healthcare coverage because of the age limits, may be eligible for continued coverage under the Program. Weekly contributions for each coverage level for each healthcare option are shown in the last part of the section that explains that particular option.

Additionally, non-student, unmarried children who were enrolled as "Plus-19" as of December 31, 2000, and are age 21 but not yet age 23 as of December 31, 2000 may continue to be enrolled as a "Plus-19" until they reach age 23 by paying a cost of one-half the single subscriber rate in addition to weekly contributory premiums. Thereafter, "Plus-19" coverage will not be available.

Eligibility for Non-Smoking Discount:

The Open Enrollment forms you receive each year will provide you with an opportunity to declare your eligibility for the non-smoking discount.

You are eligible for the non-smoking discount if: 1) you and your covered dependents have not used tobacco products more than 3 times in the month before you complete the application, 2) you are committed to remaining smoke-free, and 3) you declare yourself and your dependents non-smokers.

If you do not complete, sign and return the appropriate form by the due date specified, you will not be eligible to receive the non-smoking discount for that entire year.

Premier HMO:

The Premier HMO option provides comprehensive coverage for most medically necessary services at 100% after a co-payment fee. Listed below is a summary of some co-payment fees for commonly used services:

PCP Office Visit	\$15
Specialist Office Visit	\$15
Physical Therapy Office Visit	\$15
Chiropractic Office Visit	\$15
Emergency Room	\$50
Urgent Care Facility	\$25
Inpatient Hospital Stay	\$200
Outpatient Surgical Facility	\$100
Prescription Drugs	\$10/\$20/\$35 (generic/preferred/non-preferred)

To participate in the Premier HMO, the following contributions will be deducted from your weekly paycheck. These contributions will be effective the first paycheck of each of the calendar years shown below:

	2001		2002		2003		2004	
	Non Smoker	Smoker	Non Smoker	Smoker	Non Smoker	Smoker	Non Smoker	Smoker
Employee Only	2.10	3.21	3.30	4.95	6.60	9.91	7.60	11.40
Employee and Spouse	3.76	5.97	5.90	9.27	11.98	18.82	13.93	21.89
Employee and Child(ren)	3.76	5.97	5.90	9.27	11.98	18.82	13.93	21.89
Employee and Family	5.97	9.29	9.20	14.22	18.58	28.72	21.53	33.27

Premier Plus HMO:

The Premier Plus HMO option provides comprehensive coverage for most medically necessary services at 100% after a co-payment fee. Listed below is a summary of some co-payment fees for commonly used services:

PCP Office Visit	\$10
Specialist Office Visit	\$10
Physical Therapy Office Visit	\$0
Chiropractic Office Visit	\$0
Emergency Room	\$25
Urgent Care Facility	\$25
Inpatient Hospital Stay	\$0
Outpatient Surgical Facility	\$0
Prescription Drugs	\$10/\$15/\$30 (generic/preferred/non-preferred)

To participate in the Premier Plus HMO, the following contributions will be deducted from your weekly paycheck. These contributions will be effective the first paycheck of each of the calendar years shown below:

	2001		2002		2003		2004	
	Non Smoker	Smoker	Non Smoker	Smoker	Non Smoker	Smoker	Non Smoker	Smoker
Employee Only	6.52	9.73	7.91	11.86	11.67	17.58	13.40	19.74
Employee and Spouse	12.20	19.10	14.93	23.46	21.91	34.43	25.28	39.02
Employee and Child(ren)	12.20	19.10	14.93	23.46	21.91	34.43	25.28	39.02
Employee and Family	17.99	27.73	22.16	34.26	32.84	50.76	36.67	57.46

Point of Service (POS):

In-Network Coverage:

The In-Network coverage level available through the POS option is very similar to the Premier Plus HMO option. Medically necessary care that your PCP oversees and arranges for through a network of specialists, hospitals, and other healthcare providers, is covered at the In-Network level.

Most forms of outpatient care managed and authorized by your PCP will be paid at 100% after a \$10 co-payment. Prescription drugs are covered at 100% after a \$10 co-payment fee for generic drugs, a \$15 co-payment for preferred drugs and a \$30 co-payment for non-preferred drugs. Emergency room visits for life- or limb-threatening care are covered In-Network at 100% after a \$25 co-payment fee. As long as your PCP makes arrangements for any hospitalization, inpatient care is covered at 90%, and your co-insurance is 10% with a calendar year maximum of \$1,000.

Out-of-Network Coverage:

Medically necessary care that your PCP does not authorize or that is received through non-participating physicians, hospitals, and other health care providers is covered at the Out-of-Network level.

Doctors' office visits, eligible hospitalization, and other medically necessary care will be paid at 80% of the reasonable and customary (R&C) charge, after satisfaction of the calendar year deductible.

The POS option requires that the healthcare carrier pre-approve all Out-of-Network non-emergency hospital stays seven days in advance. If you do not follow these hospital pre-admission procedures, you will be charged a \$100 penalty plus you will have to pay for any portion of the hospital stay that is determined to not be medically necessary.

To participate in the Point of Service, you pay the following contributions that will be deducted from your weekly paycheck. These contributions will be effective the first paycheck of each of the calendar years shown below:

	2001		2002		2003		2004	
	Non Smoker	Smoker	Non Smoker	Smoker	Non Smoker	Smoker	Non Smoker	Smoker
Employee Only	6.52	9.73	7.91	11.86	11.67	17.58	13.40	19.74
Employee and Spouse	12.20	19.10	14.93	23.46	21.91	34.43	25.28	39.02
Employee and Child(ren)	12.20	19.10	14.93	23.46	21.91	34.43	25.28	39.02
Employee and Family	17.99	27.73	22.16	34.26	32.84	50.76	36.67	57.46

Changes During the Year:

You can only make changes in the Healthcare Program during the annual enrollment period, unless you have a life event or "qualifying change in status" that affects the type of coverage you need. You or your dependents can enroll in or change your level of coverage during the year, consistent with the legal requirements for a qualifying change in status, only if one of the following events occur and you and your dependents sign up within 31 days to reflect the life event. Life events and status changes are:

- *Marriage, divorce, legal separation or annulment*
- *Birth, adoption or placement for adoption of a child*
- *Death of a covered dependent*
- *Change in your dependent's eligibility status (for example, your child reaches an age when coverage stops)*
- *You lose coverage provided under another plan (for example, your spouse's plan is no longer offered)*
- *Change in location (that is, your current medical coverage is not available in your new location)*
- *Termination or start of employment by yourself, your spouse or your dependent.*
- *Move out of the area covered by your current healthcare option*

Participation and Contributory Premiums for Employees on a Medical Leave of Absence:

BIW will continue healthcare for employees on a medical LOA and their eligible dependents under the conditions specified in Article 16. Contributions equal to the active employee contribution will be required. Failure to pay these contributions in a timely manner (See Contributory Premiums for Employees), will result in termination of healthcare benefits.

Participation and Contributory Premiums for Retirees:

If you are eligible to retire under the Pension Plan directly from employee status for any reason and are under age 65, you may elect to participate in the Healthcare Program by making monthly payments equal to BIW's average cost for the coverage level you select.

Participation for Eligible Dependents of Deceased Employees:

An employee's spouse and/or eligible dependent children will be covered by the Healthcare Program for one full year from the end of the month of employee's death, with no contributory premiums required.

Coordination of Benefits for SSDI/Medicare:

BIW will coordinate benefits under the BIW Healthcare Plan as a secondary payor to Medicare for all subscribers who are Medicare eligible as a result of an SSDI award.

Joint Committee on Healthcare Costs and Quality:

BIW and LS6 are committed to ensuring that employees have access to cost effective, quality healthcare coverage. Because of their ongoing concern about the quality of healthcare and costs, the parties agree to a Joint Committee on Healthcare Costs and Quality. The Committee will have an equal number of representatives, including a co-chair, from each party. When appropriate, healthcare experts and representatives from BIW's health plans will be invited to attend Committee meetings. Each party may have their benefits consultants and advisors attend Committee meetings. The Committee also will meet with healthcare providers to express the parties' interest in obtaining quality healthcare at affordable prices.

In furtherance of these objectives, any savings on the annual cost of healthcare will be passed on to employees. If annual per capita costs for healthcare decline between July 1 and June 30 of the following year, then employee's weekly premiums will be reduced by 50% of the weekly equivalent decrease as of January 1, commencing in 2003.

BASIC ACCIDENT AND SICKNESS

For eligible employees, the Basic Accident and Sickness Plan in effect on August 27, 2000 will be restarted on the effective date of this Agreement, and remain unchanged for the duration of this Agreement, including the weekly benefit amount of two hundred dollars (\$200) per week.

LIFE INSURANCE COVERAGE

Basic Life Insurance:

For eligible employees, the Basic Life Insurance coverage in effect on August 27, 2000 in the amount of \$22,000 will be restarted on the effective date of this Agreement, and remain unchanged through October 31, 2000. Effective November 1, 2000, coverage will increase to \$25,000 and will remain at that level for the duration of this Agreement.

If you are eligible to retire under the Pension Plan directly from employee status with BIW, you will be eligible for life insurance coverage during your retirement. Your benefit amount will be the same amount that was in effect prior to your retirement. Then, on the first anniversary date of your retirement, your life insurance benefit will be reduced by 10%. Thereafter, every year on the anniversary of your retirement, your benefit will be lowered by the same amount it was reduced on your first anniversary date. The minimum benefit paid to your surviving beneficiary is \$5,000.

Supplemental Life Insurance:

Effective January 1, 2001, you are eligible for additional life insurance for yourself.

You will have 3 options to choose from each calendar year during the annual open enrollment process, which will be conducted each Fall preceding the calendar year. Your options will include:

- *No Coverage*
- *Coverage at \$25,000*
- *Coverage at \$50,000*

If you elect supplemental life insurance, you will pay the full cost of the premium. This cost will be deducted from your paycheck on an after tax-basis. The cost can change each year and depends upon the coverage level you select and your age.

You can only make changes outside of the open enrollment process during the year under certain rules. For those rules, see the "Changes During The Year" section under the Healthcare Program.

BUSINESS TRAVEL ACCIDENT INSURANCE

If you die as a result of an accident while you are traveling on company business, your beneficiary listed on your basic life insurance plan will receive a lump sum benefit of four times your annual base pay.

VISION CARE PLAN

Effective January 1, 2001, you will be eligible to participate in a vision care plan. This plan provides coverage for eye examinations, lenses, frames, and contact lenses.

You will have 5 options to choose from each calendar year during the annual open enrollment process, which will be conducted each Fall preceding the calendar year. Your options will include:

- *No coverage*
- *Employee Only*
- *Employee and Spouse*
- *Employee and Child(ren)*
- *Employee and Family*

If you elect coverage under the vision care plan, you will pay the full cost of the premium. To the extent permitted by law, these contributions will be deducted before taxes are withheld. The cost can change each year and depends upon the coverage level you select.

You can only make changes outside of the open enrollment process during the year under certain rules. For those rules, see the "Changes During The Year" section under the Healthcare Program.

SPENDING ACCOUNTS

Health Care Account:

Effective January 1, 2001, BIW will establish a healthcare spending account for each employee who is participating in the Premier HMO option as of January 1, 2001. Each account will be credited the following amounts in 2001 based upon their coverage level:

<i>Employee Only:</i>	<i>\$ 50</i>
<i>Employee Plus Spouse:</i>	<i>\$100</i>
<i>Employee Plus (Child(ren)):</i>	<i>\$100</i>
<i>Employee and Family:</i>	<i>\$150</i>

This is a special account where the money in the account may be used on a tax free basis for almost any un-reimbursed expense related to medical, dental, or vision coverage for you, your spouse, or your dependents. For example, you can use the money to be reimbursed for co-payments under an established plan (like the BIW healthcare program, or the LS6-sponsored union dental plan, or a plan through your spouse's employer), or for out-of-pocket expenses you have if you are not covered under an established plan. Contributions you make as a requirement to participate in a benefits plan, like payroll deductions for healthcare or dental coverage, are not eligible. Any money remaining in your account by the end of the year will be forfeited.

Effective January 1, 2002 and each year thereafter, BIW will no longer fund the account. However, effective the first paycheck of the 2002 calendar year and each subsequent calendar year, BIW will allow all employees to establish their own account by setting aside a portion of their wages on a pre-tax basis, through an annual open enrollment process conducted each Fall preceding the calendar year. If you elect to participate in this account, you must indicate so during the open enrollment and decide how much to contribute during that year. The minimum contribution is \$100 and the maximum is \$5,000.

To make sure you put the right amount of money in your account during open enrollment, you need to estimate your expenses for the next year. If you put more money into the account than you have expenses for, any money remaining in your account by the end of the year will be forfeited. See the BIW Benefits Department for a complete list of eligible and ineligible expenses.

You can only make changes outside of the open enrollment process during the year under certain rules. For those rules, see the "Changes During The Year" section under the Healthcare Program.

Dependent Care Account:

This is a special account where you can be reimbursed dependent day care expenses that meet certain requirements on a tax-free basis.

Effective January 1, 2002, and each year thereafter, BIW will allow any employee to establish their own account by setting aside a portion of their wages on a pre-tax basis.

Each calendar year beginning effective January 1, 2002, an annual open enrollment process will be conducted each Fall preceding the calendar year. If you elect to participate in this account, you must indicate so during the open enrollment and decide how much to contribute during that year. The minimum contribution is \$100 and the maximum is \$5,000.

To make sure you put the right amount of money in your account during open enrollment, you need to estimate your expenses for the next year. If you put more money into the account than you have expenses for, any money remaining in your account by the end of the year will be forfeited. See the BIW Benefits Department for a complete list of eligible and ineligible expenses.

You can only make changes outside of the open enrollment process during the year under certain rules. For those rules, see the "Changes During The Year" section under the Healthcare Program.

PERSONAL LINES OF INSURANCE

Effective not later than January 1, 2001, you will be eligible to receive a free no-obligation rate quote from an insurance carrier that BIW chooses for several different types of personal insurance coverage (i.e., automobile, home). Each employee who chooses to apply and is accepted for one or more coverages would be individually underwritten and rated, and will also have the option to have premiums automatically deducted from paychecks in equal amounts each pay period.

The insurance carrier reserves the right to not offer this Program in certain states, and may not underwrite certain high-risk individuals.

Article 22
PENSION PLAN

Bath Iron Works Corporation Pension Plan for Hourly Employees:

If you participated in this Plan prior to September 1, 1994, you are also vested to a monthly benefit at your normal retirement age (65) equal to \$16.50 multiplied by your years and months of credited service in this Plan as of August 31, 1994.

IAM National Pension Plan:

BIW became a Contributing Employer under the IAM National Pension Plan on September 1, 1994. BIW's contribution to the IAM Plan of \$0.50 per employee per hour of service as defined in the Standard Contract Language will be unchanged until July 1, 2003 when it will increase to \$0.65.

For purposes of applying the Continuity of Past Service rule as defined in the IAM National Pension Plan Document, the term "foreman" shall include all participants who are former salaried employees prior to regressing back into LS6.

A copy of the IAM National Standard Contract Language is included as Schedule A.

Article 23
SUPERVISORS NOT TO WORK WITH THE TOOLS

Section 1:

It is not the intent or desire of BIW that supervisors be permitted to perform work on any hourly-rated job except in the following situations.

- **Emergencies:** Supervisors will be allowed to give limited assistance to other employees where imminent danger to people or property exists or can alleviate an unsafe situation where no employee(s) are present in the immediate area to do the work.
- **Instruction of Employees:** Supervisors will be allowed to explain how to do a job. This does not allow them to do the work.
- **Training:** If employees are assigned to a job with insufficient knowledge of how to do the work in question, supervisors will be allowed to train employees on how to do the work in question.
- **Limited Assistance:** In situations where an employee is doing a job that could bring him harm, a supervisor could help in situations where no other employees are available.

Section 2:

Violations of this Article will not be tolerated.

Article 24
GRIEVANCE PROCEDURE

Section 1 – Definition:

Wherever used in this agreement, the term "grievance" shall mean any disagreement, difference, or dispute raised by any employee(s) or the Union that the Company has violated subjects covered in this Agreement.

Section 2 – (Step 1):

Prior to filing a written grievance, employees are encouraged to first discuss the issue with the appropriate supervisor and/or steward for resolution. If you fail to resolve the issue, the grievance shall be reduced to written form and presented to the appropriate craft administrator. The written grievance should set forth the facts giving rise to the grievance and, where possible, should provide the remedy sought and specify the sections of the Agreement alleged to be violated. Within five (5) days of receiving the grievance, the craft administrator must schedule a meeting between you (i.e., a representative employee), your steward, two members of the grievance committee, himself/herself, and others as deemed necessary by the paying party, to hear your grievance. The meeting shall be held within fifteen (15) days. The goal of the meeting should be to resolve the grievance. The craft administrator has five (5) days to answer your grievance in writing.

Section 3 – (Step 2):

If the craft administrator's answer is not acceptable, the Chief Steward will file your grievance with Labor Relations within five (5) days. Labor Relations must schedule a meeting between you (i.e., a representative employee), your Steward, Chief Steward, two members of the grievance committee, and witnesses that can testify directly about the facts in dispute (up to a maximum of three) within ten (10) days. Labor Relations will have five (5) days to answer your grievance after hearing it.

NOTE: In processing grievances through Sections 2 and 3, BIW will only pay conferring to the Union representatives identified in these sections. Any other Union representative(s) present will be paid by the Union.

Section 4 – (Step 3):

There will be one arbitrator/mediator selected in accordance with the procedures of the American Arbitration Association. A request for arbitration/mediation is to be submitted to the American Arbitration Association within one hundred twenty (120) workdays from date of the Step 2 grievance answer. The arbitrator/mediator shall make his own rules of procedure. His decision shall be in writing and shall set forth what relief, if any, shall be granted. A decision of the arbitrator shall be final and binding, except that he shall have no power to alter or modify the terms of this Agreement.

In any disputed matter, the records of BIW shall be deemed to be correct, unless other evidence shall be introduced.

The decision of the arbitrator shall be final and binding upon BIW and the Union for the duration of this Agreement unless mutually agreed.

The cost of the arbitrator/mediator and administrative costs of the arbitration shall be shared equally between the Company and the Union. Each party shall bear its own costs, including the cost of witnesses who shall be paid by the party who called them.

The Union or Company may, following the scheduling of a grievance for arbitration/mediation, substitute another grievance to be heard by an arbitrator/mediator by mutual agreement. In the event the parties disagree, BIW may select the substitute grievance or pay the cancellation fee.

Section 5 – Accelerated Arbitration:

BIW or the Union may institute accelerated arbitration proceedings as outlined elsewhere in this agreement. The Union and the Company will select ten (10) arbitrators by mutual agreement who will, by rotation, hear any accelerated case filed with the American Arbitration Association. The arbitrator will follow the American Arbitration Association Rules for Arbitration except for the provisions outlined below.

- *The American Arbitration Association will advise the appropriate arbitrator, by alphabetical rotation, of his appointed case within five (5) days. The arbitrator will hear his/her appointed case within fifteen (15) days. If an arbitrator is unable to fulfill his appointment, the American Arbitration Association shall move to the next arbitrator on the list.*
- *If multiple days are needed, the Company, Union, and arbitrator will use the next available workday to complete the hearing.*
- *There will be no briefs, unless mutually agreed upon. Both sides will do closing arguments.*
- *The arbitrator will have five (5) days to render his/her decision unless mutual agreement is reached.*
- *The arbitrator will follow all other provisions outlined in the American Arbitration Association Rules for Arbitration that are not in conflict with this agreement. Where conflict exists, the agreement shall prevail.*

Section 6 – Grievances Scheduled Outside of Your Shift:

Second and third shift grievant(s), Steward(s), and Grievance Committee members will be paid overtime at the appropriate rate if their grievance is heard on off-shift time. The Company will make an effort to schedule second or third shift grievances at mutually convenient times on those respective shifts. An International Representative of the Union, President, Vice President, Chief Steward or the Chief Steward's designee may be present at any meeting provided for in this process. First shift mechanics, Stewards, and Grievance Committee members who attend a grievance outside their assigned shift will be compensated at the applicable overtime rate.

Section 7 – Grievance Timeframes:

If you have a problem or disagreement that cannot be resolved with your supervisor and/or steward, you have ninety (90) days to file a grievance from the date on which the fact or event giving rise to the grievance shall have existed or occurred, but only ten (10) days in case of discharge. Failure to file a grievance within this ninety (90) day period shall be deemed to be an abandonment of the grievance. For physical or mental incapacity, the ninety (90) workday period will not begin until conditions end. Timeframes can only be extended by mutual agreement.

Section 8 – Administration:

Any checks cut in settlement of a grievance will be forwarded to the Union's President for review and returned to Payroll for racking

Financial settlements arising from a grievance settlement will be reimbursed to the affected employee(s) by separate check, providing the amount is equivalent to two (2) hours' pay or greater.

Section 9 – Resolution of Prior Cases:

Any grievance based upon facts and events which existed or occurred prior to the expiration date of the prior contract(s) which is still pending and not finally disposed of at the date of the Agreement shall be handled in accordance with the terms of that contract.

Section 10 – Process By-Pass:

Discharge grievances shall be filed at Step 2 of this procedure.

Article 25

NO STRIKE/NO LOCKOUT

There shall be no strikes and no lockouts for the life of this agreement. BIW and Local S6 reserve their rights to seek all remedies under law if this provision is violated.

Article 26
RETURN TO WORK/STAY AT WORK PROCESS

Our Commitment:

Detailed processes dealing with keeping or returning injured/ill employees to productive employment have been developed. These include the Return to Work/Stay at Work and Job Opening Processes. These processes apply to occupational and non-occupational injured or ill employees. Issues requiring joint agreement will be resolved through the Joint Agreement Process.

Initial Reporting of Injury/Illness:

To comply with OSHA regulations, occupational injuries/illnesses must be reported to Employee Health. Employees shall report such illnesses/injuries to their supervisor who may send employees to Employee Health. Non-occupational injury/illness resulting in lost time must be reported to your Craft Administration Area.

Return to Work/Stay at Work Process:

If you are injured/ill with some work capacity (limits), the Return to Work/Stay at Work Process will be utilized to identify productive work for you in the following manner.

- 1. Present your Employee Health Status Form (or M1 Form) to the Employee Health Department.*
- 2. The Craft Administrative area will attempt to identify productive work with or without reasonable accommodations.*
- 3. If no work within your work capacity is available, your steward shall work with a Craft Administrator and attempt to place you in another classification. If unable to place you in another classification within your limits, an attempt will be made to place you in the Alternate Work Program for work hardening, as applicable (Occupational Injuries/Illnesses only).*

Process to Follow If You Are Out of Work to Comply with the Attendance at Work Policy:

When limits change (increased work capacity); report in person to the Medical Department who will initiate the Return to Work/Stay at Work Process.

Article 27
WHILE ASSIGNED RATES

Divers:

Divers/Standby Divers will receive \$27.20. Time starts when entering the water and ends when leaving the water. They shall receive a minimum of four hours pay.

Dive tenders for tending on the dive station on site shall receive \$2.00 per hour over base rate. Time starts when the diver enters the water and ends when he leaves the water.

Sonar Dome Divers/Standby Sonar Dome Divers will receive \$27.20 per hour while working in a pressurized submerged sonar dome.

Asbestos/Blood Spill Cleanup/Underground Sewage:

While assigned to the following tasks you will receive \$2.00 per hour above your base rate:

Ripout, install, and cleanup asbestos insulation, tape cloth or pads (excludes non-friable or bonded asbestos products).

Work underground on sewer systems where exposure to sewage occurs.

Blood cleanup (volunteers).

Article 28
JURY/MILITARY/WITNESS PAY

Your daily base wage for each regular working day served on a jury, on active duty training, or as a witness on behalf of the State of Maine in a court of law not in contravention to Bath Iron Works' interests will be protected through payment by BIW of the differential in pay you receive for those services and eight hours at straight time as follows:

<u>Jury:</u>	Unlimited number of days
<u>Witness:</u>	Maximum three days per year
<u>Military:</u>	Up to ten days (two additional days for advance training requirements)

Application forms may be obtained through Employee Records or your Craft Administrator. Evidence of service and pay received must be submitted with the application.

Article 29
BEREAVEMENT

You will be compensated eight hours at straight time for each day's absence during the scheduled workweek as follows:

<i>Relationship</i>	<i>Paid Bereavement Day(s)</i>
<i>Spouse, child</i>	<i>Six days</i>
<i>Mother (in law), father (in law), sister, brother, stepmother, stepfather, stepson, stepdaughter, stepbrother, stepsister, legal guardian, or grandchild</i>	<i>Three days</i>
<i>Grandfather, grandmother, spouse's grandparents</i>	<i>One day</i>

If you are on vacation at the time of the death in your family, you may call your Craft Administration Area to cancel your vacation and change it to bereavement pay.

Article 30
SUBCONTRACTING

Subcontracting falls into two categories and will be managed in one of the following manners:

- ***Production and Facilities work not normally assigned to bargaining unit members:*** *This type of work will be put on a jointly developed standing list. Implementation of items on this list needs no notification. Additions or deletions to the standing list require mutual agreement of both parties. Unresolved matters of concern may be forwarded to the joint agreement process.*
- ***Work normally assigned to bargaining unit members:*** *The joint agreement process will apply to this category of subcontracting and must be worked through in a timely manner prior to implementation to support the work in question. If an agreement cannot be reached, the Company may implement its decision which may be subject to the accelerated arbitration process where the arbitrator will be obligated to hand down a decision based on the requirements to meet or achieve a competitive position, obtain new work, overcome severe manning shortages, lack of equipment, or facilities. The arbitrator shall also be empowered to rule on the good faith efforts of either party to reach resolution under the joint agreement process in Article 39.*

Article 31
SPECIAL EVENTS

Special events of launchings, drydockings, and ship-movements will be staffed in the customary manner.

Special events related to the Land Level Transfer Facility will be staffed in the customary manner and in accordance with this Labor Agreement.

Article 32
AT SEA ASSIGNMENTS

Assignments to sea will include the following job classifications by event:

Assignments to "B" Trials:

O04, E02, P18, T04, P10, S14, S40, W12

Assignments to "C" Trials:

O04, E02, P18, T04, P10, S14, W12

Assignments to Transit:

O04, E02, P18, T04, S14, P10, W12, S02

Assignments to Tow:

O04, E02, P18, P10, S14, W12, S02

Or any other classifications as required by event.

Assignments will be made from volunteers by classification by seniority on a rotational basis. Skill and ability to be used on a need basis. No employee will work outside their job classification.

(The obligation for O04 and E02 specialist to accept sea trial assignments will be added to their specialist progression models and become part of the specialist criteria.)

SEA TRIAL PAY

Employees shall receive pay for all time spent on sea trials, including premium pay, in accordance with the "Overtime Rates" section of this contract.

Article 33
EMERGENCY RESPONSE TEAM

The Union and the Company will jointly select Emergency Response Team (ERT) ready pool, which will consist of a maximum of sixty members. Six members of the ERT ready pool will be salaried employees; the balance of the team will be Local S6. Twenty-six members of the ERT ready pool (22 to go, 4 alternates) will be assigned to each ship for a complete set of sea trials and transits. Each team assigned to a ship for a complete set of sea trials and transits must include one Electrician, a P-18 AFFF Operator and an Outside Machinist. You must commit to remain on the team for three years once trained.

The ERT will remain comprised of its current members until the team is required to undergo re-training. Every three years, up to twenty-seven Local S6 represented employees from the standing list of volunteers will be given the opportunity to rotate into the ERT ready pool by yard seniority. Local S6 represented members will be required to rotate off the ERT by first soliciting volunteers, then selecting those members of the ERT ready pool who have been on the team longest (tie breaker is seniority, lowest to highest).

All members of the ERT may be assigned to perform any work in their core classification during sea trials and transits.

This agreement applies to the DDG contract and will be null and void if the Navy ceases or reduces funding to the ERT.

Article 34
PAYDAY

You will receive your regular weekly paycheck on each Thursday. A supplemental check will be provided to employees whose paycheck is in error for two hours or more, by the close of business Friday.

Article 35
GENERAL DYNAMICS STOCK SAVINGS AND INVESTMENT PLAN (SSIP)

The BIW matching contribution in SSIP of \$0.35 on every dollar you defer up to the first 5% of straight time pay will be unchanged through the duration of this Agreement. Effective the first paycheck in 2001, BIW will increase the maximum deferral percentage you may elect from 15% to 16%.

Also effective the first paycheck in 2001, BIW will no longer apply a 40-hour maximum to base hours paid in a pay week for purposes of deferring pay into SSIP. Instead BIW will defer pay for all hours in which you are paid, on a straight-time basis, up to a maximum of 2080 hours in a year.

Article 36
SCOPING

Scoping is the distribution or assignment of work on a new project or contract. BIW will continue the scoping of work consistent with past practice. In situations due to contracting terms, business alliances, or joint shipbuilding programs, BIW may need to utilize a single work scoping plan that could call for variations from current practices. We will attempt to minimize these variations to the extent possible.

All the work scope will remain within the bargaining unit.

Article 37
RESCOPING

Rescoping is moving work normally accomplished by one classification to another classification. The joint agreement process will apply to this process and must be worked through in a timely manner prior to implementation to support the work in question. If an agreement cannot be reached within ten (10) days after notice of rescoping, the Company may implement its decision, which may be subject to the accelerated arbitration process in Article 24 where the arbitrator will be obligated to hand down a decision based on the requirement to meet or achieve a competitive position or obtain new work. The arbitrator shall also be empowered to rule on the good faith efforts of either party to reach resolution under the joint agreement process in Article 39.

Article 38
TRANSFERS/JOB OPENING PROCESS

Transfers:

If you are transferred into this bargaining unit from a BMDA, or IGA represented position, your seniority date will be fixed from date of transfer for purposes of involuntary layoff and all other seniority driven assignments.

If you are transferred into this bargaining unit from an IAM represented bargaining unit at BIW, your seniority will be your full seniority.

Company service will always be used to determine all applicable benefits.

Should you be transferred within this bargaining unit from one job classification to another, your seniority date will not change.

Transfers from one job classification to another, or into Local S6, shall fall under the joint agreement process, and must be worked through in a timely manner prior to implementation. If an agreement cannot be reached within ten (10) days after notice of transfer, the Company may implement its decision, which may be subject to the accelerated arbitration process in Article 24 where the arbitrator will be obligated to hand down a decision based on the need to overcome manning overages/shortages. The arbitrator shall also be empowered to rule on the good faith efforts of either party to reach resolution.

Job Opening Process:

When a position needs to be filled, the following steps will be followed in order of listing:

- a. Out of work within classification not on involuntary layoff (most senior)*
- b. Involuntary layoff within classification*
- c. Out of work yard wide (senior qualified) (Local S6)*
- d. Involuntary layoff yard wide (Local S6) (senior qualified)*
- e. Transfer yard wide (Senior qualified Local S6 employees will be transferred as long as the transfer will not result in a subsequent job posting. Except that any employee with two [2] years' seniority within a classification that applies for a position and qualifies shall be transferred into available positions prior to hiring from outside of Local S6.)*
- f. Transfer yard wide (non-Local S6)*
- g. New hire*

Article 39
JOINT AGREEMENT PROCESS

Joint Agreement Process:

Decisions requiring joint agreement will be handled on a priority basis based upon accomplishing the task, work or issue in the most efficient and economical manner possible, always acting in the best interest of BIW and Local S6. Should the parties not reach agreement after reasonable options have been explored (you cannot just say no to working the process), the Company can at that point implement its decision, which may be subject to the accelerated arbitration process in Article 24.

Article 40
OUT OF TOWN WORK/OUT OF TOWN JOB ASSIGNMENTS

Out of Town Work:

BIW and Local S6 will work to establish terms and conditions for employees asked to work out of town, that meet the needs of the employees and allows us to continue to gain more out of town work.

Out of Town Job Assignments:

Out of town job assignments will be made utilizing a seniority list, by classification, maintained by the craft administrator. Assignments will be by seniority, by classification. Volunteers will be selected in seniority order, assuming skill and ability. Each person is solicited once and is not solicited again until every person has been solicited. Rotation on this list shall continue. Consideration may be given to skill and ability. Employees may be by-passed in cases where their skill and ability is not sufficient to complete the job in accordance with the Skill and Ability Article 42.

Article 41
PARKING

Whenever possible, BIW employees will have preference on assignment on proximity parking lots. The Company agrees to maintain parking lots in a satisfactory condition. Special parking areas for car poolers (4 or more employees in one vehicle) will be established. The Company will encourage car pooling and has established a central location for information and assistance in establishing car pools in the Plant Protection Office. Parking in BIW lots shall be at the employee's own risk, including but not limited to overspray.

Management has the responsibility to notify the Union prior to spraying. BIW will keep signs in place at all times at all parking lots.

BIW will put flyers out every quarter or four times a year explaining condition of overspray in their parking lots.

BIW will make every possible effort to spray when the wind is not blowing at parking lots.

BIW will also make every effort to ensure that the overspray situation will be worked on to alleviate these problems.

Article 42
SKILL AND ABILITY

Skill and Ability:

It is not the intention of BIW Management to utilize skill and ability for other than necessary business needs. Skill and ability will be handled on a need basis. Management will determine what skills are needed for an assignment and notify the Chief Steward in writing prior to assigning an employee with the skill and ability to accomplish the job. This notice shall identify:

- *Which employees are being selected by management for a skill and ability assignment.*
- *The scope of work to be accomplished.*

The most senior qualified person shall be used whenever skill and ability needs to be applied. BIW commits to train senior volunteers whenever feasible to alleviate the use of the skill and ability process.

Article 43
SUPERVISOR REGRESSION

Supervisor Regression:

BIW reserves the right to reassign a member of the supervisory staff back into his prior classification in the bargaining unit. Supervisory staff who have not had prior bargaining unit membership shall not be reassigned. Reassigned supervisors shall retain all of their previous bargaining unit seniority and accrue up to one (1) year of additional seniority for purposes of layoff, recall, and all seniority driven assignments.

Supervisory staff means that the person is a supervisor as defined by the National Labor Relations Act.

Article 44
MANNING/DEMANNING

Manning/Demanning Facilities:

Assignments between the Main Plant, Portland, EBMF, Harding Plant, and Consolidated Warehouse (which includes Maine Yankee and Bissons) will be as follows:

- *Volunteers by seniority by classification (most senior).*
- *Assignment by seniority by classification (least senior).*

Assignments to fill an absence from work are considered temporary. The absent employee maintains the position upon return providing the facility has not been demanned beyond his seniority date.

Assignment for three (3) days or less at offsite facilities is considered temporary (except Portland). Temporary assignments for longer than three (3) days in duration require utilization of the joint agreement process in Article 39. Temporary employees will be demanned first regardless of their classification seniority. This policy also applies to facilities work that needs to be supported by the Maintenance Department from Bath.

In identifying volunteers for assignment to all facilities, standing lists will be used as follows:

- *Employees may add their name to, or remove their name from, the facility volunteer list at anytime prior to the assignment. An employee adding their name to the facility volunteer list may not displace an employee who has already been advised of their assignment to a facility. Facility assignments will not be made on shift preference.*

- *Shift assignments may be made prior to sending people between facilities by utilizing a separate standing list, provided both groups (volunteers and assignees) are treated as one group.*

Travel Allowance:

Either travel mileage allowance from the BIW Main Plant in Bath or Company transportation to the Portland Facility will be provided for up to two days, in the event four full days notice cannot be provided. For dual assignments where four days notice was not provided, travel mileage allowance will be paid for actual days assigned (maximum two days).

Article 45
SUPER SENIORITY

Super seniority will be granted to all shop stewards within classification. The President, Vice President, three (3) Chief Stewards, and three (3) Grievance Committees will have top seniority in the yard. Seniority preference is President, Vice President, three (3) Chief Stewards, Shop Stewards, and three (3) Grievance Committees. BIW will have up to thirty (30) employees on super seniority, but at no time can BIW exceed the numbers of Union representatives allowed by this provision. BIW and Local S6 will give a list of these people to each other on the first week of each third month.

Article 46
NEW TECHNOLOGY

Purpose:

We recognize that significant changes to our present manner of producing ships are required for us to become globally competitive and ensure jobs for our people at BIW. Together, through the Joint Agreement Process, we must seek out new technology in order to achieve maximum efficiency and the preservation of jobs. As we find better ways to accomplish our work, we will train the people affected so we can build ships more efficiently and broaden our horizons for the future.

Definitions:

New technology shall be defined as technologies not previously utilized at BIW that are significant modifications in the manner that BIW manufactures/maintains its products/property where the outcome would directly result in staffing reductions. Such modification may involve new or changed processes, equipment, machines, and facilities.

Commitment/Training:

We are committed to seeking out new technologies to achieve maximum efficiency in the interest of remaining competitive and preserving jobs for the long term. When the Company anticipates that new technologies may have an impact on the work performed by Union represented employees, the Company will, as early as possible, so advise the Union, and at the time describe the location and nature of such technological changes and the extent to which they may affect the work performed by represented employees. In the event it becomes necessary to train you to qualify for new technology or other available jobs, BIW will institute the necessary programs.

Technological Change Procedure:

The Joint Agreement Process will apply to new technologies and must be worked through in a timely manner prior to making a technological change taking into consideration lower overall cost, increased quality, increased capacity, improved safety, improved competitive position, increased capability to build, reduced risk, support customers' desires/demands, strategic significance and a plan to deal with impacted employees. If an agreement cannot be reached within ten (10) days after notice of intention of technological change, the Company may implement its decision, which may be subject to the accelerated arbitration process in Article 24. The arbitrator will be obligated to hand down a decision taking into consideration the technological change procedure and also the good faith efforts of either party to reach resolution under the Joint Agreement Process in Article 39.

Issues that pertain to this article that are significant will be reviewed by the President of Local S6 or his designee.

Article 47
EDUCATION AND TRAINING

Purpose:

The education and training of our workforce to meet business and employee needs are key ingredients in the development of a highly skilled workforce. Through an investment in education and training we will build skill and prepare for new technologies so that all members have the opportunity to be the best in today's world and be prepared for tomorrow's.

Safety Training:

The BIW Training Plan will include provisions for safety training developed from input from the Safety Department, Local S6 Safety Committee, Safety Inspectors, and other relevant sources.

BIW and Local S6 commit to jointly develop and implement a safety and health training program to train appropriate Management and Union safety representatives, including Safety Inspectors, during the life of this agreement. BIW will establish a budget to implement this agreement.

Employee Training:

Depending on an individual's needs, opportunities, and choices, employees will be provided training in safe work practices, classification skills, and specialties. Since the best learning occurs in the context of productive and safe work, most training will be on the job.

Tuition Reimbursement:

We encourage employees to enroll in job-related after hours courses by providing tuition reimbursement at the rate of 50% for tuition and lab fees for employees with a "C" or higher grade, up to \$100 for books and up to \$100 for graduation fees. Approval for course acceptance is required in advance by Management.

After Hours Training:

Where significant interest exists, BIW will have after hours training available for you. Second and third shift employees attending after hours training not available on their off shift may start work early to compensate for the excused training time.

Basic Skills Training:

Help with improving basic skills in reading and math is available through volunteer tutors. Request confidential assistance by calling 442-5000. GED pre-testing is also available. This program is fully supported by Local S6 and management.

Article 48
PRESCRIPTION GLASSES

Should you damage or crack your prescription glasses while at work, your prescription glasses will be replaced at the BIW Main Store or Harding's Tool Room, upon presentation of the damaged or cracked glasses to be replaced. There is no cost to you except for the prescription obtained from your optometrist for your glasses. This also covers prescription inserts for respirators, progressive lenses and transition lenses.

Article 49
ATTENDANCE AT WORK

Excused Absence Codes:

We recognize that certain absences from work may be unavoidable. The following codes are used for excused absences:

01F	Employee Health passout	*15L	Compensated time off, FML
03	Company excused	16	Leave of absence granted by Employee Health
*4D	Death in family	*17	Jury duty
*4DP	Death in family paid	*18	Military duty
*7W	Weather	*20	Split shift
09	Yard injury	*22	Company paid witness duty
*09L	Yard injury, FML	*23	On-call fireman
*10	No work in area (EBMF, Hardings, Portland, Bath Fab, Pre-Outfit, Ways, and by Ship on Water)	*24	FML uncompensated time off
12	Suspension	*26	Accident and Sickness
*13	Union business unpaid	*26L	Accident and Sickness, FML
*14	Scheduled day off	*44	Company paid Union business
*15	Compensated time off		

NOTES:

Codes designated by an asterisk () will not be held against you for perfect attendance.*

Requests for Code 03 will be considered by management on a case by case basis and are not grievable.

Code 10M will not be held against you for up to two days per occurrence.

(M) = Excused by Medical

Unexcused Absence Codes:

The following absences from work during your regular scheduled workweek will be considered unexcused.

02 *No Report*
06 *Personal Business*
11 *Late*

(X) – Excused by Department

An (X) or an (M) designation will make any code excusable.

For the months of November through April, grace period of ½ hour per month for lates will be excused.

Disciplinary Steps:

You will receive progressive discipline for unexcused absences as follows:

First Offense: First Written Warning

- *If you have more than three (3) unexcused absences in any three (3) consecutive calendar months.*
- *If you have unexcused absences in excess of twenty (20) hours in any three (3) consecutive calendar months.*

Second Offense: Second Written Warning

- *If you have more than two (2) unexcused absences in any three (3) consecutive calendar months.*
- *If you have unexcused absences in excess of eight (8) hours in any three (3) consecutive calendar months.*

Third Offense: Discharge

- *If you have more than two (2) unexcused absences in any four (4) consecutive calendar months.*
- *If you have unexcused absences in excess of eight (8) hours in any four (4) consecutive calendar months.*

Administration:

- *Discipline will remain on your record for one year from date of issuance.*
- *Any discipline improperly issued will be dealt with in accordance with settlement #B300-98.*
- *If discipline is withdrawn from your records, all days/hours will be removed.*
- *Unexcused absences, which occur up to the date of a valid disciplinary step will be rolled into that disciplinary action.*
- *If an employee has taken in excess of thirty-two (32) hours of unexcused time in five (5) consecutive days (or sixty-four [64] hours in twenty [20] consecutive days), and fails to be present at work to be issued the proper discipline, he may be sent a certified letter (with a copy to the Local S6 President) requesting reasons for the absence. Failure to respond within five (5) days may result in discipline being issued through certified letter (with a copy to Local S6 President).*
- *Your discipline will be reduced by achieving perfect attendance as follows:*

**CONSECUTIVE MONTHS
PERFECT ATTENDANCE**

2
3
4
5
6

**MONTHS REDUCTION
OF DISCIPLINE**

2
3
4
5
6

- *Rule #2A warnings of record will be removed as of August 28, 2000.*
- *A Union representative will be present for each of the disciplinary steps.*

Medical Absences:

Absences for five days due to illness or injuries will be excusable if you:

- Report to the Medical Department on your first day back to work.*
- Provide a valid medical report which describes the illness, treatment, and verification that you were unable to work and what dates the illness kept you out of work. The medical report must be written by a board-certified physician or chiropractor based on their personal observations and treatment. (Non-occupational cases require a valid medical note describing dates of total incapacity, omitting diagnosis and treatment.)*
- If your note is found to be unacceptable, you will have five (5) days to provide a proper note. Should you not provide an acceptable note by the end of the five (5) day period, you will be terminated.*

If you have an illness or injury requiring continuous medical treatment, you will not have such absence(s) count for disciplinary reasons providing the Yard Medical Director concurs with the absence(s).

If you are absent from work for five (5) consecutive days without satisfactory excuse you will be sent a certified letter (with a copy to the Local S6 President) requesting reasons for the absences. Failure to respond within five (5) days from receipt or refusal of the letter will result in a certified letter of discharge with a copy to the Local S6 President.

Family Medical Leave (FML):

FML qualifying event(s) will be administered in accordance with the provisions of that law.

Call-In/Report-In:

- *If you are on leave of absence you are required to call your Craft Administration Area at least once monthly to ask if work is available and provide the date of your next doctor's appointment.*
- *Should your limits change (increased work capacity) you must report in person to the Medical Department who will use the Return to Work/Stay at Work Process.*

Call-In Process:

- *You are encouraged to provide advance notice of an absence to your supervisor where circumstances permit.*
- *You are required to call the Call-In Center on our toll free number (1-800-243-9747) or, if local, 442-1444 within two (2) hours following the start of your shift or sooner if circumstances permit, or call your supervisor of the occurrence.*
- *Should the Call-In Center be malfunctioning, please call your Craft Administration Area.*

Article 50
RULES OF CONDUCT

Purpose:

The primary purpose of BIW's disciplinary system is to serve as a corrective, not punitive tool; it is intended as a means to improve substandard performance or correct improper behavior. It is not intended for the purpose of building a record against any employee.

Discipline will not be imposed in an arbitrary, capricious or discriminatory manner, but will be applied with just cause and uniformly amongst all employees whose behavior or conduct warrants corrective action.

Chapter Administration:

These rules become effective October 23, 2000.

Any verbal warning, written warning, or suspension on your record will be removed effective August 28, 2000.

A Union representative will be present for each disciplinary and counseling action taken.

Management reserves its right to put an end to inappropriate behavior and notify the employee(s) that further action may be taken.

Any disciplines issued will remain on your record for one year from date of issuance.

SECTIONS

- I. Counseling
- II. Written Warning
- III. Suspension
- IV. Discharge

SECTION 1 – Counseling:

The following offenses may result in formal counseling (not grievable). Second violation may result in written warning. Third violation may result in suspension up to three days. Subsequent violation may result in discharge.

A. Repeatedly Neglecting to Clock In or Out

You are required to clock in/out at a TAS terminal, (in areas utilizing automated time accounting) at the beginning of shift and after the pick-up whistle. You are also required to egress and ingress, on TAS, when passing through the gate during working times.

B. *Entering a Restricted Area...*

Employees are not to enter restricted areas without proper authorization.

C. *No Report*

Employees are required to report an absence through the Call-In process within two hours of the start of shift. For absences of five consecutive workdays, employees must communicate with their Craft Administration at least weekly.

D. *Housekeeping/Hygiene*

Employees are expected to maintain their worksite and maintain personal hygiene in a manner, which is non-offensive to other employees.

E. *Smoking*

Employees are not permitted to smoke in restricted areas. Employees are not permitted to smoke on finished ships, except in designated areas (defined as: one week prior to Bravo and beyond).

F. *Quality/Quantity of Work*

Employees are expected to perform a reasonable day's work of high quality.

G. *Off the Job/Wasting Time*

Employees shall be prepared to start work at their job site or mustering site at the start of their shifts and following breaks, and shall remain productive until the break whistles and pick-up whistle blows. NOTE: After the pick-up whistle, you will muster with your supervisor, then proceed to the gate and remain inside the yard until the end of shift whistle. (This should not be interpreted that employees are required to start work, such as retrieving tools and equipment before the start of the shift without being compensated.)

H. *Safety*

Safety rules have been established for the well being of all employees. Every employee must comply with these rules.

I. *Horseplay*

Horseplay, scuffling, running, throwing things, are all improper behavior for the work environment.

J. *Physical Examination*

Employees may be required to submit to a physical exam by the Company physician or the employee's physician as a matter of protection. Employees absent due to sickness or injury for five consecutive days or more will report to Employee Health prior to starting work on the day of return.

K. *Terms of This Labor Agreement*

All employees are required to observe/comply with the terms of this labor agreement.

L. *Overtime Commitment*

Employees who are selected for overtime work are expected to fulfill that commitment. Habitual failure may result in disciplinary action under this section. (In excess of two occurrences in a twelve month period.) Late, no show, early departure.

SECTION II – Written Warning:

The following offenses may result in a written warning. Second violation may result in suspension up to five days. Subsequent violation may result in discharge.

A. *Absenteeism*

This is covered under Attendance at Work in the labor contract.

B. *Others Tools/Company Tools*

It is improper conduct to use other people's tools or tools signed out to other employees without first gaining their consent.

C. *Negligent/Mistakes*

Employees are expected to follow instructions and to exercise due diligence in the performance of their duties.

D. *Malicious Statements*

It is inappropriate conduct to make derogatory or malicious statements toward any employee or the Company.

E. *Misuse of Property*

Employees are expected to use Company property or the property of another person for the purpose in which it was intended.

F. Dozing

Employees are required to remain alert while on the job.

G. Leaving Plant/Failure to Return

Employees who leave the plant during work hours or who are not returning from lunch break must have authorization.

SECTION III – Suspension:

The following offenses may result in suspension up to five days. Subsequent violations may result in discharge.

A. Refusal to Cooperate

Refusal to show badge or pass to any supervisor, management or plant protection or altering of badge or pass, or interfering with or refusal to cooperate with plant protection officers or supervisor in the performance of their duties. (However, when an employee is being investigated for possible discipline, he may exercise his right to remain silent.)

B. Sleeping

All employees are required to stay awake while at work.

C. Under the Influence

It is a violation of this rule to be on Company premises subject to the effects of alcohol, illegal drugs, or to refuse to submit to a test. Probable cause testing will be conducted by trained members of management and will include breathalyzer testing for alcohol and urine testing for illegal drugs. Permissible levels are:

- Alcohol 0.04 for safety sensitive jobs
 0.08 for all others.
- Illegal drugs -----

D. Negligent Disregard of Instructions

Negligent disregard of instructions which affect the safety of any person or result in damage to property or disregard for red tape barriers is a serious matter.

E. Creating a Disturbance

Employees must not provoke, create, instigate, or engage in a disturbance on Company premises.

F. *Illegal Gambling*

Illegal gambling on Company time or on Company premises is unacceptable conduct.

G. *Insubordination*

Refusal to comply with a reasonable assignment given by a member of supervision.

SECTION IV – Discharge:

The following offenses may result in discipline up to and including discharge.

A. *Violent Conduct*

Violence, threatened violence, including threatening, intimidating, fighting, assault, or attempted assault, or taking action that could result in injury on Company premises will not be tolerated.

B. *Committing a Nuisance*

A course of unreasonable conduct which interferes with the rights of other employees or impedes production, by causing annoyance or inconvenience to others or the Company will not be tolerated.

C. *Fraud*

Engaging in or knowingly benefiting from any activity for the purpose or with result of causing unearned or unwarranted payment or benefits to himself or any other person; unauthorized altering of any document, falsification of any record or intentional omission of fact will not be tolerated. (Includes deliberate and flagrant acts of avoiding work.)

D. *Badges*

Employees must not permit another person to use their Company badge or use another person's badge.

E. *Employment Abandonment*

Employees absent for five consecutive workdays without satisfactory excuse.

F. *Unauthorized Possession*

Firearms or explosives of any type or use or threat of use of firearms, explosives, or dangerous weapons on Company time or premises will not be tolerated.

G. *Drugs/Alcohol*

Use, possession, distribution, sale or offering for sale narcotics, dangerous drugs (including marijuana), or alcoholic beverages on Company premises at any time.

H. *Immoral Conduct/Indecency*

Immoral or indecent conduct at work is unacceptable behavior.

I. *Theft/Damage*

Willful destruction or damage, theft, or attempted theft, or removal from Company premises, without proper authorization of any property not belonging to you will not be tolerated.

J. *Habitual Offender*

Accumulation of four or more disciplinary steps within a twelve month period (formal counseling is not a disciplinary step).

NOTES:

- *The Union and the Company reserve the right to negotiate a "last chance agreement" when it is deemed appropriate.*
- *The Union and the Company will not tolerate discrimination or harassment of or by its employees. Such behavior constitutes a severe infraction of Company policy and, as such, may be grounds for disciplinary action, up to and including dismissal.*
- *Vending, soliciting, or collecting contributions for any purpose at any time on Company premises is prohibited unless authorized by management.*
- *Posting or removal of any material on BIW bulletin boards, or distributing written or printed matter of any description is prohibited on Company premises except where prior approval has been granted by the Director of Labor Relations. This policy shall not be construed to prevent the distribution of printed material by employees to employees, or the solicitation of employees by employees during non-work times in non-working areas in the exercise of rights granted by Section 7 of the National Labor Relations Act. In no event will the exercise of such rights interfere with production.*

Article 51
DURATION OF AGREEMENT

This agreement between Bath Iron Works and the Union, in respect to rates of pay, wages, hours of work, and other conditions of employment of the employees in the bargaining unit, will remain in full force and effect beginning October 23, 2000, and ending midnight May 30, 2004.

Either party may, within the thirty calendar days preceding sixty calendar days prior to the expiration date of this agreement, serve a written notice upon the other of its desire to terminate or modify this agreement.

Schedule A

**I.A.M. NATIONAL PENSION FUND
NATIONAL PENSION PLAN**

STANDARD CONTRACT LANGUAGE

"ARTICLE ____ - PENSIONS

- A. *The Employer shall contribute to the I.A.M. National Pension Fund, National Pension Plan for each hour/day or portion thereof 1/ for which employees in all job classifications covered by this Agreement are entitled to receive pay under this Agreement 2/ as follows:*

\$0.38 per hour effective September 1, 1994

\$0.43 per hour effective January 1, 1999

\$0.50 per hour effective January 1, 2000

\$0.65 per hour effective July 1, 2003

- B. *The Employer shall continue contributions based on a forty (40) hour work week while an employee is off work due to paid vacations or paid holidays. 3/*
- C. *Contributions for a new, temporary, probationary, part-time and full-time employee are payable from the first day of employment. 4/*
- D. *The I.A.M. Lodge and the Employer adopt and agree to be bound by, and hereby assent to, the Trust Agreement, dated May 1, 1960, as amended, creating the I.A.M. National Pension Fund and the Plan rules adopted by the Trustees of the I.A.M. National Pension Fund in establishing and administering the foregoing Plan pursuant to the said Trust Agreement, as currently in effect and as the Trust and Plan may be amended from time to time.*
- E. *The parties acknowledge that the Trustees of the I.A.M. National Pension Fund may terminate the participation of the employees and the Employer in the Plan if the successor collective bargaining agreement fails to renew the provisions of this pension Article or reduces the Contribution Rate. The parties may increase the Contribution Rate and/or add job classifications or categories of hours for which contributions are payable.*
- F. *This Article contains the entire agreement between the parties regarding pensions and retirement under this Plan and any contrary provision in this Agreement shall be void. No oral or written modification of this Agreement shall be binding upon the Trustees of the I.A.M. National Pension Fund. No grievance procedure, settlement or arbitration decision with respect to the obligation to contribute shall be binding upon the Trustees of the said Pension Fund.*

- END OF STANDARD CONTRACT LANGUAGE -

(Please complete Options Section and sign below if the Standard Contract Language is to be signed as a separate Agreement. If the Language is included in the Collective Bargaining Agreement, please insert options where applicable.)

Options:

- 1/ Trustees' policy requires that all groups entering and continuing participation shall negotiate either an HOURLY or DAILY contribution rate. An HOURLY or DAILY contribution rate may be negotiated if the collective bargaining agreement provides for a standard work week of at least 40 hours based on 5 work days. An HOURLY rate must be negotiated if the standard work week is at least 40 hours but less than 5 days. A DAILY rate must be negotiated if the standard work week is 5 days but less than 40 hours. Contributions are required for any day/hour or portion thereof for which an employee is entitled to receive pay under this Agreement.
- 2/ The parties may negotiate to limit contributions to a maximum of forty (40) hours per week for each employee. Yes ☒ No ☐
- 3/ a. The parties may negotiate to exclude contributions for sickness and injury time, Reserve Training Time, jury duty, bereavement pay, or lost time for processing grievances under the Agreement. If contributions are to be excluded for any time, please specify: No contribution for sickness*
- b. The parties may negotiate that contributions will continue while an employee is off work and is not receiving pay for the following time:
Employees on LOA for Union Business**

Indicate for how long:

- 4/ The parties may negotiate that contributions will begin at the completion of the employee's probationary period, but no later than sixty (60) calendar days after date of hire. Yes ☒ No ☐. Temporary employees may be excluded for a maximum period of ninety (90) calendar days. Yes ☐ No ☐

If yes, for how long?

Local Lodge S6, IUMSWA/IAMAW, District Lodge 4
(Insert Name and Number of Lodge)

By: _____
(Authorized Officer and Title)

Date: _____

Bath Iron Works Corporation
(Insert Name of Employer)

EMPLOYER'S IRS IDENTIFICATION NUMBER 39 1343528

Address: 700 Washington Street, Bath, Maine, 04530

By: _____
(Authorized Officer and Title)

Date: _____

For plants or terminals located at:

(Street) (City) (State) (Zip)

#1

REVISED 3/00

* For an employee who did not work at all and was out on an occupational or non-occupational sickness or injury for one complete calendar year, BIW will make contributions for that one year of credited service, but not more than one year in a lifetime. Also, for an employee who works at least one hour of service between September 1, 1994 and August 31, 1995, but does not earn 1200 total hours of service in the Plan because of sickness or injury, BIW will pay for those hours which the employee needs to get 1200 hours of service.

** BIW agrees to make contributions on behalf of employees on an approved leave of absence for Union Business to a maximum of 1,601 hours for a full calendar year, and prorated on a weekly basis for less than a full calendar year. Contributions will be made in the same amount and on the same basis as other eligible employees.

Schedule B
HOURS OF WORK

	<u>Main Plant & Portland</u>	<u>Harding Plant</u>	
1st Shift			
Start	7:00 a.m.	6:30 a.m.	
Break	9:30-9:40 a.m.	9:00-9:10 a.m.	
Lunch	11:30 a.m.-12 Noon	11:30 a.m.-12 Noon	
End	3:30 p.m.	3:00 p.m.	
2nd Shift			
Start	4:15 p.m.	3:00 p.m.	
Break	6:45-6:55 p.m.	5:30-5:40 p.m.	
Lunch	8:45-9:15 p.m.	7:30-8:00 p.m.	
End	12:45 a.m.	11:30 p.m.	
3rd Shift			
Start	10:30 p.m.	10:00 p.m.	
Break	12:45-12:55 a.m.	12:30-12:40 a.m.	
Lunch	3:00-3:30 a.m.	2:30-3:00 a.m.	
End	7:00 a.m.	6:30 a.m.	
	<u>CW/Bissons</u>	<u>EBMF</u>	<u>CROF & Materials</u>
1st Shift			
Start	6:24 a.m.	6:18 a.m.	7:00 a.m.
Break	9:00-9:10 a.m.	9:00-9:10 a.m.	N/A
Lunch	11:30 a.m.-12 Noon	11:30 a.m.-12 Noon	12 Noon-12:30 p.m.
End	2:54 p.m.	2:48 p.m.	3:30 p.m.
2nd Shift			
Start	3:00 p.m.	4:00 p.m.	3:30 p.m.
Break	5:30-5:40 p.m.	6:30-6:40 p.m.	N/A
Lunch	7:30-8:00 p.m.	8:30-9:00 p.m.	8:00-8:30 p.m.
End	11:30 p.m.	12:30 a.m.	12:00 Midnight
3rd Shift			
Start	9:54 p.m.	9:48 p.m.	10:30 p.m.
Break	12:30-12:40 a.m.	12:30-12:40 a.m.	N/A
Lunch	2:30-3:00 a.m.	2:30-3:00 a.m.	3:00-3:30 a.m.
End	6:24 a.m.	6:18 a.m.	7:00 a.m.

NOTE: Parking will be dedicated for 1st and 2nd shifts.

HOURS OF WORK

	<u>Boiler Operating</u>	<u>Tank Testing</u>	<u>Machine Shop</u>
1st Shift			
Start	7:00 a.m.	3:00 a.m.	7:00 a.m.
Break	9:30-9:40 a.m.	6:00-6:10 a.m.	9:30-9:40 a.m.
Lunch	11:30 a.m.-12 Noon	8:30 a.m.-9:00 a.m.	11:30 a.m.-12 Noon
End	3:00 p.m.	11:30 a.m.	3:30 p.m.
2nd Shift			
Start	3:00 p.m.		3:30 p.m.
Break	6:45-6:55 p.m.		5:45-5:55 p.m.
Lunch	8:45-9:05 p.m.		7:45-8:15 p.m.
End	11:00 p.m.		12 Midnight
3rd Shift			
Start	11:00 p.m.		10:30 p.m.
Break	2:00-2:10 a.m.		12:45-12:55 a.m.
Lunch	4:00-4:20 a.m.		3:00-3:30 a.m.
End	7:00 a.m.		7:00 a.m.

State Law requires
Boilers be staffed
continuously.
Operators do not
leave their job site
for break or lunch.

To allow continuous
machining operation.

HOURS OF WORK

	<u>Maintenance Custodian Portland</u>	<u>Maintenance Custodian</u>	
1st Shift			
Start	7:00 a.m.	7:00 a.m.	7:00 a.m.
Break	9:30-9:40 a.m.	9:30-9:40 a.m.	9:30-9:40 a.m.
Lunch	11:30 a.m.-12 Noon	11:30 a.m.-12 Noon	11:30 a.m.-12 Noon
End	3:30 p.m.	3:30 a.m.	3:30 p.m.
2nd Shift			
Start	4:15 p.m.	4:15 p.m.	5:00 p.m.
Break	6:45-6:55 p.m.	6:45-6:55 p.m.	6:45-6:55 p.m.
Lunch	8:45-9:15 p.m.	8:45-9:15 p.m.	8:45-9:15 p.m.
End	12:45 a.m.	12:45 a.m.	1:30 a.m.
3rd Shift			
Start	10:30 p.m.	9:30 p.m.	9:30 p.m.
Break	2:00-2:10 a.m.	1:00-1:10 a.m.	1:00-1:10 a.m.
Lunch	4:00-4:30 a.m.	3:30-4:00 a.m.	3:30-4:00 a.m.
End	7:00 a.m.	6:00 a.m.	6:00 a.m.

Similar to D/63

D/63 has two 2nd and two 3rd shifts to eliminate interference with other workers. 3rd shift ends early to allow the floors to dry before 1st shift.

	<u>Riggers</u>	<u>Crane Operators</u>
2nd Shift		
Start	3:00 p.m.	3:00 p.m.
Break	6:45-6:55 p.m.	6:45-6:55 p.m.
Lunch	8:45-9:15 p.m.	8:45-9:15 p.m.
End	11:30 p.m.	11:30 p.m.

To make 3 shift operation Bath outside cranes more efficient

**All Special Shifts are null and void as of November 22, 2000.*

Schedule C
WEEKEND OVERTIME HOURS

1st Shift

Start	6:00 a.m.
Break	9:00-9:20 a.m.
End	12:00 p.m. (Noon)

2nd Shift

Start	12:00 p.m. (Noon)
Break	3:00-3:20 p.m.
End	6:00 p.m.

3rd Shift

Start	12:00 a.m. (Midnight)
Break	3:00-3:20 a.m.
End	6:00 a.m.

Void Shift

Start	6:00 p.m.
Break	9:00-9:20 a.m.
End	12:00 p.m. (Midnight)

Note: Void Shift will be
manned utilizing all shifts by
seniority per Departmental
Overtime Policies

Schedule D
SUBCONTRACTING
STANDING LIST
NOTIFICATION NOT REQUIRED

Management will assign Local S6 members to accompany vendors as required.

CATEGORY	SERVICE DESCRIPTION
Calibration	Boilers annual inspection Gas monitoring systems Meter calibration Scales
Certifications	Backflow preventers quarterly requirement when currently trained M12 unavailable Boilers annual state inspection Cranes Elevators Fire alarms Rigging gear inspections
Cleaning	Jet snake drain line Vacuum and large sweeper trucks – condo assistance by department 20
Dredging	Dredging/soundings/dolphins/hauling spoils
Environmental	COLLECTION DOES NOT ALTER CURRENT PRACTICE Changing fluids and maintenance of parts wash machines Collection and disposal of daily refuse Collection and disposal of special waste, contaminated metals, grit, wood, soil Collection and disposal of spent caustic bernite solution Collection and recycling of scrap paper and fiber material Collection and transportation and disposal of batteries Collection, transportation and disposal of bulk waste and emergency response Collection, transportation and disposal of drummed hazardous and non-hazardous Collection, transportation and disposal of medical waste Collection, transportation and recycling of AO, blast grit, road sand, garnet, black beauty, asphalt, and steel shot Collection, transportation and recycling of fluorescent tubes and ballasts Collection, transportation and recycling of scrap metal Collection, transportation and refurbish damaged pallets Collection, transportation and waste wood recycling Provide professional laboratory and analytical services Sewer pump truck Underground tank inspections Water sampling

CATEGORY	SERVICE DESCRIPTION
Excavation	Demolition and grading Hot top/trenching/haul dredging/excavating Field mowing Pier and fender repairs Pile driving repairs Snow removal excluding hand shoveling
Repairs	Adjust ADA door closures Computer room on liebert units Curved glass replacement Elevator repairs Front end alignment Motor, CMP transformer work, and starter repair/rewind Oil samplings and replacement by vendor Outboard motor repairs Overhaul of hydraulic cylinders PM saws by saw blade supplier Pressure grouting Propane burners Rebuild leaf springs Repairs to communication equipment, i.e., radios Repairs to critical equipment requiring technical assistance Repairs to magnets/coil Security systems repairs and PM Tire repair except fork lifts, vans, trucks, and pick ups
Service	Blade sharpening Compressor overhaul – continue current practice to assist vendors Fence post driving High pressure washing – over 5000 psi Keys pad, electronic locks License pest control Oil burner service Pump concrete Remove and install rubber roofing Remove, repair, and install carpet greater than 400 square feet Tugboat services – Portland
Warranty	All warranty/factory recalls Vendor owned equipment
Structure	Stripping structural extrusions

Schedule E
RETURN TO WORK BONUS

\$450 lump-sum payment payable to employees who return to work within the grace period outlined in the "Strike Settlement Agreement" and remain employed through December 15, 2000. This payment will be made by separate payroll check, net of applicable taxes and standard deductions, during the week ending December 24, 2000.